

Q/N
45
172

Government
Publications

Local Government Finance in Ontario

1977



The Honourable Frank S. Miller
Minister of Treasury and Economics

The Honourable Thomas L. Wells
Minister of Intergovernmental Affairs

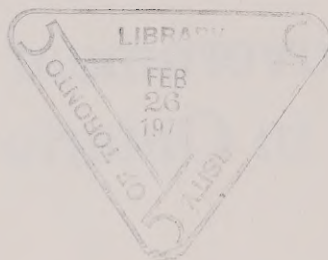
Local Government Finance in Ontario

1977



The Honourable Frank S. Miller
Minister of Treasury and Economics

The Honourable Thomas L. Wells
Minister of Intergovernmental Affairs



Copies may be obtained from
Municipal Finance Branch,
Ministry of Treasury and Economics,
Frost Building South, Queen's Park,
Toronto, Ontario M7A 1Y7
Phone: (416) 965-1074, or

Ontario Government Bookstore
880 Bay Street,
Toronto, Ontario M7A 1N8
Phone: (416) 965-2054

Table of Contents

PART I

Local Government Financial Performance: 1977

Chapter 1 1977 Financial Performance

Expenditures	3
Revenues	4
Mill Rates and Tax Levels	5
Year End Position	5
Summary	6

Chapter 2 Municipal Revenue Fund Operations

Expenditures	7
Expenditures by Object	7
Expenditures by Function	8
Revenues	10

Chapter 3 Municipal Capital Fund Operations

Capital Expenditures	12
Capital Financing	14

Chapter 4 School Board Finances

Expenditures	15
Revenues	16

Chapter 5 Property Taxation

Taxation by Purpose	18
Property Taxes by Type	18
Residential Property Taxes	20
Residential Tax Burdens	21
Net Tax Burdens Per Household	22

Chapter 6 Long Term Borrowing, Debt and Debt Charges

Long Term Borrowing	23
Net Long Term Debt Outstanding	23
Net Long Term Debt by Function	24
Annual Capital Expenditures Financed from Revenue	25

Chapter 7 Year End Position

Revenue Fund	27
Capital Fund	27
Reserves and Reserve Funds	28
Tax Collections and Arrears	28

PART II

Municipal Revenue Fund—Analysis of Expenditures and Revenues

Chapter 1	Introduction	33
Chapter 2	General Government	38
Chapter 3	Protection Services	
	Fire	41
	Police	44
Chapter 4	Transportation Services	
	Roads	47
	Transit	49
Chapter 5	Environmental Services	
	Sewers	52
	Water	54
	Solid Waste	56
Chapter 6	Health and Social Services	
	Health	59
	General Assistance	60
	Assistance to Aged Persons	61
	Assistance to Children	63
Chapter 7	Recreation and Cultural Services	
	Parks and Recreation	65
	Libraries	67
Chapter 8	Planning and Development	70

Appendix I

Detailed Financial Data by Upper Tier

Demographics	75
Municipal revenue fund revenues	78
Municipal revenue fund expenditures	81
Municipal capital fund financing	86
Municipal capital fund applications	88
School board revenue fund revenues	92
School board revenue fund expenditures	93
School board capital fund	94
Local government debt	95

Appendix II

Footnotes	97
---------------------	----

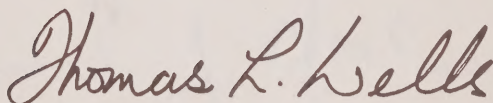
Preface

This publication presents the 1977 financial statistics of local government in Ontario, as well as an analysis of these statistics. It follows the 1977 publication entitled, "Local Government Finance in Ontario, 1975 and 1976" which replaced the "Blue Book". The importance and size of local government in Ontario requires up-to-date information on its financial affairs. This publication provides the information for the year 1977 and analyses of that information compared to previous years. These analyses of information reported by municipal governments are a continuation of the effort by the government to provide readily available information on the financial and fiscal performance of the local government sector.

This study includes a report of the financial performance of local government in 1977, an analysis of the financial aspects of different municipal services and an appendix which summarizes local government finance by upper tier in the province as required by section 223 of The Municipal Act.


A handwritten signature in dark ink, appearing to read "Miller", written in a cursive style.

Treasurer of Ontario

A handwritten signature in dark ink, reading "Thomas L. Wells", written in a cursive style.

Minister of Intergovernmental Affairs

6th December 1978



Digitized by the Internet Archive
in 2024 with funding from
University of Toronto

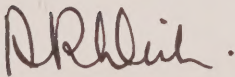
<https://archive.org/details/39291809060130>

Introduction

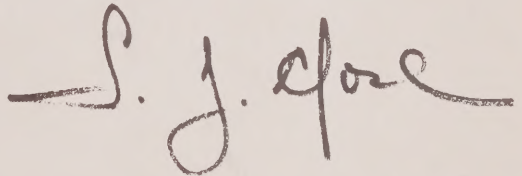
This publication presents the financial affairs of local government in 1977, an analysis of sectoral trends in that information compared to previous years and the costs of different municipal services. Part I, the analyses of trends in spending and revenues, a continuation of the 1977 publication, shows the changing priorities of local governments and shifts in their main sources of finance. Part II of this publication analyzes the spending by different types of municipalities on various services and the instruments used to finance these services. With the introduction of the 1977 financial statement major conditional revenue sources by service area are now available for analysis. This should prove to be of importance as this information shows to what extent different services are self financed through user fees. This publication provides for the first time an analysis which includes the extent of user fees as a method of supporting various municipal services.

Detailed information, used in summary in this publication, is available from the ministry's databank. In general, detailed or summary data will be provided free of charge, but the Ministry reserves the right to recover the costs of meeting requests for large volumes of data.

This study was prepared in the Municipal Finance Branch under the leadership of H. R. Regush. The research and analysis team was headed by Douglas Barnes, assisted by Rita Tench, Lynette Coy, Geri Elliott, Rick Temporale, Patty Grimes, Dave Potter, Diana Stinson, Marsha Goldford and Lois Petursson.



A. Rendall Dick
Deputy Treasurer



L. J. Close
Director
Municipal Finance Branch

4th December, 1978

**PART I. LOCAL GOVERNMENT FINANCIAL
PERFORMANCE: 1977**

Chapter 1

1977 Financial Performance

Expenditures

Local government spending (including municipalities, their enterprises, agencies and school boards) increased by \$810 million to just over \$8.2 billion in 1977. This was a growth rate of 11 percent over comparable 1976 figures, but a decline of 0.3 percent against the 1976 over 1975 growth rate. The slightly slower growth rate reflects the continuation of restraint in the public sector. This was achieved in conjunction with the Federal-Provincial Anti-Inflation program¹ which limited salary and price increases, and by the continuation of the Provincial restraint program. In limiting transfer payments to local government in line with provincial revenue growth, local governments were given the choice of either limiting spending increases commensurate with grants or incurring substantial property tax increases. The decline in the rate of growth in 1977 relative to previous years' increases suggests that local government made some effort to exercise restraint on spending. Nevertheless, the 1977 expenditure increase was higher than both the growth rate in gross provincial product and the rate of inflation,² and therefore local government increased its share in the gross provincial product.

Socio-Economic Characteristics				Table 1-1
	1975	1977	1977/75	1977/76
			%	%
Population	8,052,760	8,274,369	2.8	1.8
Households	2,879,984	3,051,623	6.0	3.0
Total Equalized Assessment (\$ M)	72,200	83,300	7.9	3.5
Average Income/Household (\$)	18,000	21,200	17.8	8.2
Gross Provincial Product (\$ M)	65,655	82,047	25.0	10.6
Consumer Price Index (1970 = 100)	141.9	164.8	16.1	8.0

Local government in Ontario, like other economic units, has, in the past, faced the pressures of growth, wealth and inflation. As Table 1-1 illustrates, in 1977 population increased by almost 2 percent, households, 3 percent, and assessment, almost 4 percent while average income per household increased by slightly more than 8 percent. The increases in these factors produce increased demands on local government services which, in turn, are reflected in increases in local government spending.

Municipal current spending increased by 13.4 percent, two percentage points higher than in 1976. Capital spending increased by 7.5 percent from 1976 to 1977, but capital spending in 1976 was almost the same as in 1975. Total overall municipal spending reached \$4.7 billion in 1977, an increase of 12.0 percent. Municipal spending per household³ increased 9.0 percent over 1976. Considering the rate of inflation was approximately 8.0 percent in 1977, the combined effect with household growth suggests municipal service levels were expanded slightly.

School board spending increased at a slower rate than municipal spending in 1977. This was due to a levelling off in the increases of teachers' salaries in line with the AIB guidelines and a continued decrease in new school construction. School board spending

¹All footnotes see Appendix II.

Local Government Spending

Table 1-2

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>Municipalities</i>				
Revenue Fund*	2,872	3,631	26.4	13.4
Capital Fund	1,029	1,106	7.5	7.5
Subtotal	3,901	4,737	21.4	12.0
<i>School Boards</i>				
Revenue Fund	2,601	3,410	31.1	10.4
Capital Fund	209	128	-38.8	-11.7
Subtotal	2,810	3,538	25.9	9.4
<i>Total Local Sector</i>				
Revenue Fund*	5,473	7,041	28.6	12.0
Capital Fund	1,238	1,234	-0.3	5.1
Total	6,711	8,275	23.3	10.9
Total Spending per Household (\$)	2,330	2,712	16.4	7.7
Rate of Inflation (%)			16.1	8.0
Growth of GPP (%)			26.3	10.6

*Excludes contributions to capital fund.

increased by 9.4 percent to total over \$3.5 billion in 1977. On a per pupil basis, school board spending increased almost 11 percent reflecting the improved service level of students per teacher which decreased to 21.1 in 1977.

Revenues: Sources of Financing

Total local government revenues in 1977 increased by 10.3 percent or \$788 million over 1976. Total property taxation, including both mill rate and assessment changes, had the highest increase overall at 15.3 percent while provincial grants increased by 10.7 percent to \$3.4 billion. Long term borrowing for capital works was the main source of local government finance to decline, decreasing by 16.3 percent to \$519 million. Provincial grants were the largest source of total local government revenue followed by property taxation in 1977. Provincial assistance was by far the largest source of school board revenue, whereas property taxation was the largest source of revenue for municipalities.

In 1977, the municipal revenue component of the total local sector increased by 9.6 percent. Property taxes increased by 13.1 percent to total almost \$1.7 billion while provincial grants increased by 13.3 percent to more than \$1.5 billion. Specific user fees increased by only 4.2 percent, but they were the third major source of municipal revenues. The three main components of user fees are contributions to homes for the aged, water bills and transit fees. Other revenue⁴ totalled \$598 million in 1977 and was the revenue source with the highest growth over the period. Municipal borrowing declined by 13 percent in 1977, a reflection of high interest rates, higher provincial grants for capital works and greater use of revenue funds.

Total school board revenues increased somewhat slower than municipal at 11 percent. Most notable was the fact that in 1977 property taxes for school purposes increased by almost 17.7 percent compared to 13.1 percent by municipalities. This was a result of restraint in provincial grants without commensurate action in school board spending. Provincial grants increased by 8.7 percent in 1977 to total slightly more than \$1.9 billion. Borrowing by school boards decreased in 1977, reflecting reductions in capital spending.

Local Government Revenues

Table 1-3

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>Municipalities</i>				
Taxation	1,311	1,662	26.8	13.1
Ontario Grants	1,285	1,525	18.7	13.3
Specific User Fees*	495	625	26.3	4.2
Other Revenues	415	598	44.3	19.6
Borrowing	326	461	41.4	-13.0
Subtotal	3,832	4,871	27.1	9.6
<i>School Boards</i>				
Taxation	1,040	1,526	46.7	17.7
Ontario Grants	1,659	1,908	15.0	8.7
Other Revenues	50	64	28.0	23.1
Borrowing	89	58	-34.8	-35.6
Subtotal	2,838	3,556	25.3	11.4
<i>Total Local Sector</i>				
Taxation	2,351	3,188	35.6	15.3
Ontario Grants	2,944	3,433	16.6	10.7
Specific User Fees*	495	625	26.3	4.2
Other Revenues	465	662	42.4	19.7
Borrowing	415	519	25.1	-16.3
TOTAL **	6,670	8,427	26.4	10.3

*Includes water billings, transit fares and elderly persons contributions to Homes for Aged.

**See Appendix II Footnotes, Chapter 6, note 1.

Mill Rates and Tax Levels

Total mill rates (municipal and school boards combined) increased on average by about 11 percent in 1977, or 3 percentage points lower than the increase in 1976. The school boards' increase in mill rates of 14 percent was considerably higher than the municipal increase of 9 percent. However, school board mill rate growth decreased from the high of 21 percent in 1976 while the municipal mill rate growth was 1 percentage point higher in 1977 than 1976.

Average residential property taxes⁵ in the province, \$557 per household for a public school supporter in 1977, showed an increase of \$59 over 1976, or 12 percent. The average increase was \$26 in municipal taxes and \$33 in school taxes. Property tax offsets⁶ increased by approximately 3 percent, the same rate as the increase in the number of households. Since this 3 percent increase has been consistent over the past three years, the average tax offsets per household remained the same. Average net taxes as a share of household income increased by 17.0 percent, from 1.8 percent in 1975 to 2.1 percent of 1977 average income per household.

Year End Position

At the end of 1977, local governments had an accumulated current surplus of \$189 million, an increase of \$23 million. The main reason was an increase in school board surpluses of \$25 million which suggests an overlevy by some of the school boards in 1977. The municipal sector accumulated surplus decreased by \$2 million. Municipalities reduced their level of unfinanced capital expenditures by \$136 million in 1977 while the school boards increased their unfinanced balance by \$7 million. The overall amount of the unfinanced capital expenditures was reduced by more than half, leaving a balance of \$89 million to be permanently financed at year end.

Balances in reserves and reserve funds for both municipalities and school boards continued to increase in 1977. The year end consolidated total balance for municipalities, their enterprises and the school boards was \$800 million.

Taxes outstanding at the end of 1977 amounted to \$234 million, an increase of 17 percent over the 1976 arrears. This represented \$76 per household compared to \$67 per household in 1976. In both years taxes outstanding represented approximately 7 percent of the levy. Tax arrears as a percentage of the current levy remained unchanged while tax collections and reductions amounted to 99.7 percent of the levy for the year.

Summary

The decline in the overall rate of spending increase in 1977 of 10.9 percent relative to 1976 of 11.2 percent, indicates a slight cutback or restraint by local governments. Local governments did not achieve a reduction in spending growth comparable to the Province. Some of the increased revenues, however, were not used for current spending since at year end 1977, local government had increased their level of liquidity in the form of reserves and reserve funds to \$800 million. Borrowing for capital works declined despite an increase in spending.

The increase in transfer payments from the Province to local government outstripped the Province's own spending growth. However, local government spending growth exceeded grant increases, therefore property taxes increased by more than the rate of increase in spending.

Chapter 2

Municipal Revenue Fund Operations¹

Expenditures

Total municipal revenue fund spending was \$3.8 billion in 1977, an increase of 12.5 percent over 1976. In 1976, the increase was 11.2 percent over the previous year. On a household² basis revenue fund spending increased 9 percent or 1 percent above the rate of inflation.

Expenditures by Object

Salaries, wages and employee benefits comprised 46.5 percent of revenue fund spending in 1977 reaching almost \$1.8 billion.³ The second major component of spending was materials, services and financial expenses at \$1.0 billion or 26.1 percent of total spending. Transfers to others, which include general assistance payments, grants to unconsolidated boards, universities and charitable institutions totalled \$336 million or 8.8 percent of total revenue fund spending. Financial expenses, which include debt charges, contributions to capital, reserves and reserve funds, reached \$712 million or 18.6 percent of the total.

Municipal Revenue Fund Spending by Object

Table 2-1

	1977	Composition
	\$ Million	%
<i>Operating Expenses</i>		
Salaries, Wages and Employee Benefits	1,779	46.5
Materials, Services and Financial Expenses	997	26.1
Transfers	336	8.8
Subtotal	3,112	81.4
<i>Financial Items</i>		
Debt Charges	385	10.0
Transfers to Own Funds	327	8.6
Subtotal	712	18.6
TOTAL	3,824	100.0

Though a full analysis of the details of expenditure by object could not be done because adequate data was not available, Table 2-2 shows the impact of the growth in spending on financial items over the 1975 to 1977 period. Spending on these items represented 18.6 percent of total spending in 1977 compared to 18.1 percent in 1975. The increase of 14.9 percent in debt charges in 1977 was a result of reducing the level of unfinanced capital outlays in 1976 and the decreasing value of the Canadian dollar relative to the American dollar. Any payments to American debenture holders were increased by approximately 4 percent in 1977 due to the changes in the value of the Canadian dollar. The increase in transfers to own funds of 19.8 percent in 1977 over 1976 was not an uncontrollable expense. Municipalities increased their reserves and reserve fund

Financial Items

Table 2-2

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
Debt Charges	299	385	28.8	14.9
Transfers to Own Funds	255	327	28.2	19.8
Total	554	712	28.5	17.1
% of Total Revenue Fund Spending	18.1	18.6		

balances. This type of policy in aggregate may appear somewhat perverse in times of a downturn in the economy but reserves are a hedge against future borrowing and expected high interest rates.

Expenditures by Function

The composition of municipal revenue fund spending has not changed significantly over the past three years. Slight increases in the percentage of each dollar spent on the general government and culture and recreational services, coupled with corresponding slight decreases in transportation, health and social services, reflected the changing priorities of local government. In spite of these changes, transportation, protection and health and social services remained the dominant expenditures in 1977 accounting for 62 percent of total spending, down 1 percent from 1976. The slight decrease in transportation's portion of total municipal spending in the 1977 over 1975 period was reflected in its 12 percent increase in 1977 spending compared to the total spending increase on all functions of almost 13 percent. However, spending on roads increased 15 percent in 1977 compared to 1976 while spending on transit increased only 6 percent. This performance does not necessarily mean that transit had a lower priority than roads. Relatively few municipalities (71) spend on public transit. This group may have restrained spending on both roads and transit whereas the total municipal sector increased its spending on roads.

Spending for the protection function increased 25 percent over the period 1975 to 1977, 13 percent in 1977, compared to 11 percent in 1976. It maintained its share of the total municipal budget dollar. Spending on the largest subfunction, police, increased slightly slower at 14 percent in 1977 compared to 15 percent in 1976, indicating that this labour intensive service experienced slightly lower negotiated wage settlements for 1977. Spending on fire protection, the other major subfunction of protection, increased 12 percent compared to 10 percent in 1976. Spending by conservation authorities, one of

Distribution of Municipal Revenue Fund Spending

Table 2-3

	1975	1976	1977
	%	%	%
General Government	9.0	9.1	9.5
Protection	17.8	17.7	17.8
Transportation	26.9	26.7	26.5
Environment	14.5	14.8	14.8
Health and Social	18.1	17.5	16.9
Culture and Recreation	11.0	11.5	11.7
Planning and Development	2.7	2.7	2.8
TOTAL	100.0	100.0	100.0

the protection services increased 7 percent in 1977 after decreasing 16 percent in 1976. The category other protective services,⁴ increased 16 percent in 1977 compared to 15 percent in 1976.

Though health and social services spending increased by 9 percent in 1977 compared to 7 percent in 1976 and 17 percent over the 1975 to 1977 period, its share of the total dollar spending decreased by slightly less than 7 percent. This reflects the continued provincial restraint program as well as restraint at the municipal level. Most programs in this area are grant supported and certain local agencies require provincial approval of their budgets. These facts, coupled with the changes in eligibility criteria for welfare payments made in 1976, continued to hold down social services spending. Spending on children's aid and the elderly continued to increase moderately as in 1976. However, public health spending increased significantly at 19 percent compared to 5 percent in 1976. Spending on day nurseries continued to grow at a high level in 1977 reflecting increases in the number of children in municipally operated or subsidized nurseries.

Spending on environment services maintained its share of the total municipal spending dollar while increasing 12 percent compared to 15 percent in 1976 and 27 percent in the

Municipal Revenue Fund Spending by Function Table 2-4

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>General Government</i>	273	365	33.7	17.4
<i>Protection</i>				
Police	284	373	31.3	13.7
Fire	177	219	23.7	12.3
Conservation	50	45	-10.0	7.1
Other	34	44	29.4	15.8
Subtotal	545	681	24.9	12.9
<i>Transportation</i>				
Roads	538	666	23.8	15.0
Transit	286	348	21.7	6.4
Subtotal	824	1,014	23.1	11.9
<i>Environment</i>				
Sewers	188	240	27.7	15.4
Water	167	212	26.9	9.3
Solid Waste	89	111	24.7	11.0
Subtotal	444	563	26.8	12.2
<i>Health and Social Services</i>				
Public Health	64	80	25.0	19.4
Other Health	30	37	23.3	-7.5
General Assistance	189	206	9.0	9.0
Elderly	157	189	20.4	9.9
Day Nurseries	26	35	34.6	12.9
Children's Aid	87	101	16.1	6.3
Subtotal	553	648	17.2	9.1
<i>Culture and Recreation</i>				
Parks and Recreation	260	343	31.9	13.9
Libraries	77	103	33.8	15.7
Subtotal	337	446	32.3	14.4
<i>Planning and Development</i>	82	107	30.5	15.0
TOTAL	3,058	3,824	25.0	12.5

1977 over 1975 period. This reflects the relatively fixed nature of costs associated with collection, treatment of solid waste, the maintenance of existing plants, and the gradual expansion of these services to previously unserved areas as well as growth areas. Spending for municipal water services, which was reported for the first time in 1977 as a consolidated municipal service, increased 9 percent.

Recreation and culture spending increased 14 percent in 1977 compared to 16 percent in 1976, slightly increasing its share of the total municipal spending dollar. As in 1976, spending on this function increased faster than on any other, continuing a general trend towards development of parks and recreation programs and better library facilities.

General government spending increased 17 percent compared to 14 percent in 1976 because of large contributions to reserves and high financial expenses. Planning and development spending continued to grow at a relatively high rate, 15 percent in 1977. This has been a trend over the last few years as municipalities have recognized the need for planning and have become increasingly involved in such projects as downtown renewal, industrial parks and subsidized housing.

Revenues

Municipal Revenue Fund revenues increased by 11.8 percent in 1977, reaching \$3.8 billion. Revenue Fund revenue growth increased slightly relative to the previous year which was 11.7 percent. In terms of major categories of revenues, provincial transfer payments increased by 13.7 percent in 1977 while property taxes increased by 13.1 percent. Payments in lieu of taxes increased by 12.5 percent and other revenues increased by 13.7 percent. Specific user fees, which for some services are an alternative to property taxes, increased by only 4.2 percent.

Property tax levies increased 14.1 percent in 1977 while municipal charges⁶ for specific purposes increased only 2.5 percent. This was in contrast to the situation in 1976 when specific charges grew faster than property tax levies. The high growth in municipal charges in 1976 was the result of a number of large municipalities changing the revenue system for sewers from the general levy to a charge based on usage or water flow.

Payments in lieu of taxes by all levels of government and their associated enterprises increased 12.5 percent in 1977. This was slightly lower than the increase in taxation. Provincial payments-in-lieu increased by 13.8 percent to \$66 million in 1977, a rate of growth in excess of the increase in total taxation.

Ontario operating grants to municipalities increased by 13.7 percent to \$1.1 billion in 1977. This included \$722 million in conditional grants and \$420 million in unconditional grants. The growth in unconditional grants of 16.0 percent in 1977 compared to 12.5 percent in conditional grants was a continuation of the Provincial policy to lessen the importance of conditional grants in determining the priorities of municipal spending.

Out of the total user fees of \$625 million collected in 1977, transit fares were the largest at \$200 million while water bills were second largest at \$184 million and contributions by residents to homes for the aged totalled \$67 million. The remaining included direct charges for other municipal services such as fees for recreational facilities and parking receipts.

Other revenues totalled \$249 million in 1977, an increase of 14.0 percent over 1976. The main components of other revenue in 1977 were licences and permits, \$29.3 million, rents and franchises, \$36.2 million, interest and penalties on taxes, \$24.0 million, investment income, \$39.8 million, and contributions from other funds, \$28.7 million.

Municipal Revenue Fund Revenues

Table 2-5

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>Taxation</i>				
Property Taxes	1,208	1,537	27.2	14.1
Municipal Charges	103	125	21.4	2.5
Subtotal	1,311	1,662	26.8	13.1
<i>Payments in Lieu of Taxes</i>				
Ontario	51	66	29.4	13.8
Other	58	78	34.5	11.4
Subtotal	109	144	32.1	12.5
<i>Ontario Grants</i>				
Unconditional	347	420	21.0	16.0
Conditional	618	722	16.8	12.5
Subtotal	965	1,142	18.3	13.7
<i>Specific User Fees</i>				
Transit	147	200	36.1	4.7
Water	160	184	15.0	0
Homes for Aged	44	67	52.3	26.4
Other	144	174	20.8	1.2
Subtotal	495	625	26.3	4.2
<i>Other Revenue</i>	180	249	38.3	13.7
TOTAL	3,060	3,822	24.9	11.8

In 1977, property taxes comprised 43.5 percent of municipal current revenues compared to 43 percent in 1976 and 42.8 percent in 1975. Provincial grants declined from 31.5 percent of total current revenue in 1975 to 29.9 percent in 1977. User fees or direct charges for particular services also increased marginally in importance over the period from 16.2 percent of total revenues in 1975 to 16.3 percent in 1977. Other revenue and payments in lieu of taxes also increased in relative importance. The greater reliance on property taxes, payments-in-lieu and specific user fees in 1977 compared to 1975 was the result of increases in spending at a faster rate than provincial transfer payments over the period.

Composition of Municipal Revenue Fund Revenue by Sources

Table 2-6

	1975	1976	1977
	%	%	%
Taxation	42.8	43.0	43.5
Payments in Lieu of Taxes	3.6	3.7	3.8
Ontario Grants	31.5	29.4	29.9
User Fees	16.2	17.5	16.3
Other Revenues	5.9	6.4	6.5
TOTAL	100.0	100.0	100.0

Chapter 3

Municipal Capital Fund Operations¹

Capital Expenditures

Capital spending by municipalities, their local boards and enterprises increased by 7.5 percent from 1975 to 1977 but did not increase in 1976 over 1975. In 1977 this expenditure reached \$1.1 billion or \$361 per household. The overall increase does not indicate the real changes that occurred in 1977 spending versus 1976. Among the thirteen services listed on Table 3-1, five had decreases ranging from 2.3 percent to 23.5 percent while ten services had increases of 2.6 percent to 125.0 percent.

The service with one of the largest declines in capital spending was general government which decreased by 19.1 percent in 1977 versus 1976. General government refers to administrative buildings and has a tendency to fluctuate from year to year. Protective services, which includes capital equipment and facilities for fire and police departments increased by only 2.6 percent in 1977. In transportation services, capital expenditures on roads increased by 17.0 percent while transit decreased by 2.3 percent. The main reason for the decrease in transit spending was a lower level of spending on the purchase of transit vehicles.

For environmental services, the highest increase was in pollution control which totalled \$9.0 million in 1977. Also in environmental services, sewer construction decreased by 9.3 percent while water systems construction increased by 24.2 percent. With a decrease in solid waste disposal spending of 13.5 percent, overall spending on environmental services increased only 1.6 percent.

Municipal Capital Fund Spending by Function

Table 3-1

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>General Government</i>	43	38	-11.6	-19.1
<i>Protection</i>	31	38	22.6	2.6
<i>Transportation</i>				
Roads	284	310	9.1	17.0
Transit	114	127	11.4	-2.3
Other	24	13	-46.0	-23.5
Subtotal	422	450	6.6	9.2
<i>Environment</i>				
Sewers	213	175	-17.8	-9.3
Water	69	113	63.8	24.2
Pollution Control	3	9	200.0	125.0
Solid Waste	16	13	18.7	-13.5
Subtotal	301	310	3.0	1.6
<i>Health</i>	11	10	-9.1	11.1
<i>Social and Family Services</i>	12	33	175.0	73.7
<i>Recreation</i>	141	146	3.5	17.7
<i>Planning</i>	68	81	19.1	9.5
TOTAL	1,029	1,106	7.5	7.5

Social and family services had a 74 percent increase, mainly due to construction of homes for the aged and day care centres. Though there was a large increase in spending, the absolute amount of \$33 million in 1977 was not significant relative to total capital operations. Similarly, health units with an increase of 11.1 percent had only a small effect on the overall capital budget.

Capital spending on recreational facilities increased 17.7 percent in 1977 which continued the spending trends on this service in the 1970s. Capital spending on planning and development totalled \$81 million in 1977, a reflection of the amount of public investment in downtown redevelopment, industrial parks and subsidized housing.

The rather wide discrepancies in growth rates in capital spending by function illustrates that capital facilities are built for a fairly wide range of service levels and replacement of some facilities occurs infrequently. General government, social services, transit and sewer and water systems in particular demonstrate this point. Other services, such as protection and health which have smaller units of capital purchases, do not show such high variation.

Composition of Municipal Capital Fund Spending			Table 3-2
	1975	1976	1977
	%	%	%
<i>General Government</i>	4.2	4.5	3.4
<i>Protection</i>	3.0	3.8	3.4
<i>Transportation</i>			
Roads	27.6	25.8	28.1
Transit	11.0	12.6	11.5
Other	2.4	1.6	1.2
Subtotal	41.0	40.0	40.8
<i>Environment</i>			
Sewers	20.7	18.8	15.8
Water	6.7	8.8	10.2
Pollution Control	0.3	0.4	0.8
Solid Waste	1.6	1.7	1.2
Subtotal	29.3	29.7	28.0
<i>Health</i>	1.1	0.9	0.9
<i>Social and Family Services</i>	1.1	1.8	3.0
<i>Recreation</i>	13.7	12.1	13.2
<i>Planning</i>	6.6	7.2	7.3
TOTAL	100.0	100.0	100.0

Table 3-2 shows the relative importance among services in municipal capital programs in 1975 through 1977. The area of highest expenditure throughout the three years was roads. Roads, unlike most other services, except general government, are provided by all municipalities in the province. This was one reason why they remained the highest component of capital spending. The area which showed the most variation was environmental services. Sewer expenditure dropped from 20.7 percent of total capital spending in 1975 to 15.8 percent in 1977. On the other hand, water system spending increased its share from 6.7 percent to 10.2 percent of the total. Even with these variations, the importance of environmental services in total did not change significantly, from 29.3 percent of total spending in 1975 to 28.0 percent in 1977.

Capital Financing

In 1977 total municipal capital fund revenues were \$1.2 billion, an increase of 1.5 percent over 1976. Contributions from own funds increased by 7.0 percent to \$320 million. The main component of this increase was the 25.7 percent increase in financing from reserves and reserve funds. Ontario grants contributed \$317 million towards the financing of local capital facilities, 11.6 percent more than in 1976. Long term borrowing, the largest component of capital financing, at \$461 million in 1977, was 13 percent lower than in 1976. Other revenues which include prepaid special charges, proceeds from the sale of fixed assets and investment income, totalled \$144 million in 1977, almost 30 percent higher than the previous year.

Municipal Capital Fund Revenues			Table 3-3	
	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>Own Funds</i>				
Revenue Fund	186	193	3.8	-2.5
Reserve and Reserve Funds	80	127	58.7	25.7
Subtotal	266	320	20.3	7.0
<i>Ontario Grants</i>				
Transportation	193	215	11.4	8.0
Environment	39	47	20.5	27.0
Other	37	55	48.6	14.6
Subtotal	269	317	17.8	11.6
<i>Other Revenues</i>	97	144	48.5	29.7
<i>Borrowing</i>	326	461	41.4	-13.0
TOTAL	958	1,242	29.6	1.5

Table 3-4 shows the relative importance of the major categories in capital fund financing over the three year period, 1975 to 1977. Own funds and Ontario grants declined in relative importance while borrowing and other revenues increased. These were not major changes over the period, but do suggest some overall shift in municipal policy of financing capital facilities from a cash basis to borrowing.

Composition of Capital Fund Revenues by Sources, 1975-1977			Table 3-4	
	1975	1976	1977	
	%	%	%	
Own Funds	27.8	24.4	25.8	
Ontario Grants	28.1	23.2	25.5	
Other Revenues	10.1	9.1	11.6	
Borrowing	34.0	43.3	37.1	
TOTAL	100.0	100.0	100.0	

Chapter 4

School Board Finances

Expenditures

Total spending by school boards amounted to \$3.5 billion in 1977, an increase of \$305 million or 9.4 percent over 1976, six percentage points lower than the previous year's rate of growth. The rate of increase on revenue fund expenditures was 10.4 percent in 1977 compared to an 18.7 percent increase in 1976. Capital fund expenditures declined in 1977 to total \$128 million, continuing the trend of the past few years.

The lower rate of growth in revenue fund spending was due to lower wage settlements by teachers and staff, more in line with the rest of the economy under AIB guidelines. The average elementary school teacher's salary increased by 10 percent in 1977 compared with the dramatic increase in 1976 of 24 percent. The average secondary school teacher's salary increased by 11 percent in 1977 compared to 27 percent in the previous year.

School Board Expenditures				Table 4-1
	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
REVENUE FUND				
<i>Elementary</i>				
Salaries and Wages—Teachers	905	1,239	36.9	10.1
—Other	239	309	29.3	8.8
Debt Charges	134	139	3.7	2.2
Other Expenditures	267	316	18.4	14.1
Subtotal	1,545	2,003	29.6	9.9
<i>Secondary</i>				
Salaries and Wages—Teachers	646	910	40.9	11.1
—Other	160	209	30.6	12.4
Debt Charges	72	74	2.8	1.4
Other Expenditures	178	214	20.2	13.8
Subtotal	1,056	1,407	33.2	11.1
Total	2,601	3,410	31.1	10.4
CAPITAL FUND	209	128	-38.8	-11.7
TOTAL EXPENDITURES	2,810	3,538	25.9	9.4

Other payroll costs for administrators, principals, vice-principals, non-teaching professionals and janitorial staff increased by 9 percent in elementary schools and 12 percent in secondary schools in 1977. The increases in 1976 were 19 and 16 percent respectively. This slowdown in the growth of all payroll costs was the major reason why school spending growth slowed in 1977.

In addition to the effect of lower salary settlements on expenditure growth, declining enrolments caused a decline in the total number of teachers and therefore had a limiting effect on spending growth. Over the 1975 to 1977 period there was a reduction of 2.4 per-

School Board Enrolment and Staffing

Table 4-2

	1975	1977	1977/75	1977/76
			%	%
<i>Elementary</i>				
Students	1,389,478	1,329,396	-4.3	-2.3
Teachers	58,167	56,772	-2.4	-1.6
Students/Teacher	23.9	23.4		
<i>Secondary</i>				
Students	605,160	613,830	1.4	0.1
Teachers	34,826	35,454	1.8	0.3
Students/Teacher	17.4	17.3		
<i>Total</i>				
Students	1,994,638	1,943,226	-2.6	-1.5
Teachers	92,993	92,226	-0.8	-1.0
Students/Teacher	21.4	21.1		

cent in the number of elementary teachers and an increase of 1.8 percent in the number of secondary school teachers for an overall net reduction of almost 1.0 percent. Though there was a substantial decline in the overall number of students by 2.6 percent from 1975 to 1977, there was not a similar decline in the number of teachers. This led to an increase in the level of service as shown by the student-teacher ratio, which changed from an average 21.4 in 1975 to 21.1 in 1977.

Total non-payroll costs for both elementary and secondary schools increased by 10 percent in 1977 compared to 3.5 percent in the previous year. This increase in 1977 probably shows that in order to accommodate the high level of salary settlements in 1976 some spending on materials and supplies was deferred from 1976 to 1977. This deferral would have caused the 1977 rate of increase to be almost 3 times higher than the increase experienced in 1976.

The increase in spending on debt charges was 3.4 percent from 1975 to 1977. Low growth in debt charges reflected declining levels of additional borrowing each year. Total debt charges for elementary and secondary purposes reached \$213 million in 1977 or 6.3 percent of revenue fund spending.

Capital spending continued its downward trend in 1977 as it fell by almost 12 percent below the 1976 level. Though there was a general decline in enrolment for the province, some areas were still experiencing growth and therefore required new facilities. In addition, old schools needed refurbishing or replacement. Therefore, even with declining enrolment it is not expected that capital spending will cease, but it should be less than that experienced in the late 1960s and early 1970s.

Revenues

School board revenues increased by \$395 million above the 1976 level to reach \$3.5 billion, or 12.7 percent, slightly less than the previous year's growth rate of 12.9 percent. The main sources of high revenue growth were property taxes, payments in lieu of taxes and other revenue.

Provincial grants grew slowest with an increase of 8.6 percent. With the restricted growth of provincial grants and relatively high expenditure growth, property taxes increased more than proportionately. Once spending ceilings for grant purposes are exceeded the excess expenditure must be supported wholly by property taxes.

School Board Revenues

Table 4-3

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
REVENUE FUND				
Property Taxes	1,040	1,526	46.7	17.7
Payments in Lieu of Taxes	26	36	38.5	16.1
Ontario Grants	1,633	1,872	14.6	8.6
Other Revenues	50	64	28.0	23.1
Total	2,749	3,498	27.2	12.7
CAPITAL FUND				
From Revenue Fund	105	63	-40.0	-10.0
Borrowing	89	58	-34.8	-35.6
Total	194	121	-37.7	-24.4

Capital spending is financed by borrowing and contributions from the revenue fund. Both sources have declined in 1977 over 1976 – borrowing by 35.6 percent and contributions from the revenue fund by 10.0 percent. These decreases are a direct result of the decrease in capital spending.

In comparing the relative importance of all revenues used to support school boards, the most notable changes over the 1975 to 1977 period was the increased reliance on property taxes. In 1975, property taxation comprised 37.8 percent of total revenue and increased to 43.7 percent in 1977. Provincial assistance declined from 59 percent of total revenues in 1975 to 53.5 percent in 1977. However, this was still the largest single source of revenue for school boards totalling almost \$1.9 billion in 1977.

Composition of School Board Revenue Fund Revenue by Sources, 1975 to 1977

Table 4-4

	1975	1976	1977
	%	%	%
Taxation	37.8	41.8	43.7
Payments in Lieu of Taxes	1.0	1.0	1.0
Ontario Grants	59.4	55.5	53.5
Other Revenues	1.8	1.7	1.8
TOTAL	100.0	100.0	100.0

Chapter 5

Property Taxation

Taxation by Purpose

Local government raised 38 percent or \$3.2 billion of its total revenue requirements in 1977 in property taxes. This was an increase of 15.3 percent over 1976 and a 35.6 percent increase over 1975.

In 1977, \$1.7 billion or 52.1 percent of the total property taxes was used to support municipalities and their local boards and commissions. The remainder, \$1.5 billion, was used in support of school boards. Though municipalities in 1977 had the largest share, the rate of increase in municipal purpose taxes was 13.1 percent in 1977 compared to an increase of 17.7 percent for school boards. Similarly, over the 1975 to 1977 period, property taxation for municipal purposes increased by 26.8 percent while taxes for school boards increased by 46.7 percent.

Total Taxation			Table 5-1	
	1975	1977	1977/75	1977/76
			%	%
Municipal	1,311	1,662	26.8	13.1
School	1,040	1,526	46.7	17.7
TOTAL	2,351	3,188	35.6	15.3

Property Taxes by Type

The overall 15.3 percent increase in property taxes in 1977 was accommodated by a 3.6 percent growth in assessment and an 11.5 percent increase in mill rates. This meant that property owners in 1976 received an average increase in taxes of 11.5 percent in 1977 while the rest of the tax was derived from new properties coming on the assessment roll. For residential taxpayers the increase was only 11.2 percent as a larger part of the increased tax burden was picked up by new commercial and industrial assessment instead of new residential assessment.

Taxation Analysis		Table 5-2	
	1977/75	1977/76	
	%	%	
Total Property Tax Increase	35.1	15.1	
Due to Assessment Growth	7.6	3.6	
Due to Mill Rate Increase	27.5	11.5	
Total Residential Tax Increase	34.1	14.7	
Due to Assessment Growth	6.7	3.5	
Due to Mill Rate Increase	27.4	11.2	

Properties taxed at the residential rate contributed \$1.8 billion to local government revenues in 1977. This represented 57.3 percent of total taxes levied. Commercial and industrial properties contributed \$1.4 billion or 42.7 percent of total local tax needs. On realty taxes alone residential taxpayers contributed 55.6 percent of total taxes while commercial realty taxes contributed only 27 percent. Realty taxes are taxes on the assessed value of the property while business taxes are raised by calculating an assessment for carrying on a business. Depending on the type of business, a number of rates from 25 percent to 140 percent are applied to the realty assessment. Business assessment raised 12.7 percent of taxes in 1977. As Table 5-3 illustrates, the largest single contributor to local government was the residential sector.

Property Taxes by Type

Table 5-3

	1977	Composition
	\$ Million	%
<i>Properties Taxed at Residential Rate</i>		
Taxes	1,772	55.6
Municipal Charges	56	1.7
Subtotal	1,827	57.3
<i>Properties Taxed at Commercial Rate</i>		
Realty Taxes	865	27.0
Business Taxes	404	12.7
Municipal Charges ²	94	3.0
Subtotal	1,361	42.7
<i>Total Property Taxes</i>	3,188	100.0

The predominance of the residential sector is further illustrated by an analysis of property taxation by tax class. Residential properties contributed \$1.6 billion in taxation through mill rates on assessment and \$56 million on special charges. In 1977 this sector had an increase of 14.2 percent over 1976 compared to the increase in total taxes of 15.3 percent. Other properties taxed at the residential rate in 1977 (85 percent of commercial rate for municipal purposes and 90 percent of commercial rate for school purposes) included farmland at \$27 million, vacant land and commercial or industrial buildings at \$120 million and other properties such as golf courses, lodges, clubs, associations and conservation authorities, at \$18 million.

For properties taxed at the commercial rate, the industrial category was the largest contributor in 1977, \$419 million. The second largest contributor was the retail category, \$351 million. Though these two categories were the largest commercial tax generators, they had the lowest rates of growth over the previous year. Industrial increased 11.4 percent over 1976 while retail increased 9.3 percent. Within the commercial properties category, the highest rates of growth were for transportation and distribution properties at 30.5 percent in 1977 over 1976, parking lots at 28 percent and financial and wholesale at 27.8 percent. Two factors contributed to these diverse rates of growth among properties, namely, the location of different properties throughout the province (different municipalities had different mill rate increases) and the growth in the number of these properties. If an area has a high component of financial and wholesale assessment and high mill rates, then overall it weighs more than an area with the same amount of assessment and lower mill rates. Therefore, depending on the mix of properties among municipalities and their various mill rate increases, different types of properties have different levels of growth in their share of tax contributions.

The second component, growth in assessment, also depends to a certain extent on location but it usually depends on the state of the economy and how it affects different groups. The low growth in industrial properties over the period analyzed has been due to the slowdown in the economy. A general slowdown may have had the same impact on retail properties and this is shown in the figures where retail contributions increased by 9.3 percent.

The state of economy affects not only assessment growth but also how properties are taxed. For instance, a business closure means that the business assessment and tax is removed and the property becomes taxed at the residential rate. This is also shown in Table 5-4 where the highest growing property class in the residential category was vacant properties. This category includes not only vacant property but properties which are not actively in business. The changes in the economic climate can have a significant effect on particular municipalities especially if they do not have a diverse mix of commercial types of properties.

Property Taxes by Property Class

Table 5-4

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>Properties Taxed at Residential Rate</i>				
Residences: Realty Taxes	1,203	1,606	33.5	13.7
Municipal Charges* ¹	35	56	60.0	30.2
Subtotal	1,238	1,662	34.2	14.2
Farmland	22	27	22.7	8.0
Vacant Land and Buildings	87	120	37.9	26.3
Other Properties	9	18	100.0	5.9
Total	1,356	1,827	34.7	14.7
<i>Properties Taxed at Commercial Rate</i>				
Industrial	322	419	30.1	11.4
Financial and Wholesale	103	161	56.3	27.8
Professional, Chain Retail	177	257	45.2	22.4
Transportation and Distribution	27	47	74.1	30.5
Retail and Other Commercial	275	351	27.6	9.3
Parking Lots	21	32	52.4	28.0
Telephone and Telegraph ²	44	54	22.7	12.5
Municipal Charges* ¹	26	40	53.8	29.0
Total	995	1,361	36.8	16.0
Total Property Taxation	2,351	3,188	35.6	15.3

*Breakdown of Residential and Commercial Municipal charges in 1975 and 1976 are estimated.

Residential Property Taxes

Residential property³ taxes increased by 11.8 percent in 1977 to reach \$557 per household. This compared favourably to the increase in 1976 over 1975 of 13.7 percent. In 1977, 52 percent of the average residential tax per household went to support municipalities and 48 percent went to support school boards. In 1975 almost 56 percent of the total went to municipalities and 44 percent to school boards. This shift was the result of the much higher increases in school board levies than municipal.

Though the provincial average residential taxes per household were \$557, there was a wide diversity in the average among municipalities and properties within each municipality. Table 5-5 sets out average residential property taxes per household. The areas with the highest tax burdens were municipalities in regional governments (including

Metropolitan Toronto) with an average of \$662. These were the highest growth areas and for the large part the most urbanized. These areas have wider variety and bulk of services which ultimately cause higher taxes. The average residential taxes per household in Cities outside of regional government areas were \$527. This group also is very urbanized with high service levels which again was reflected in their average taxes per household. The other two categories, rural north at \$263 and rural south at \$330, showed the limited services both demanded and supplied in the rural areas of the province.

Average Gross Residential Property Taxes
Per Household by Types of Municipality

Table 5-5

	1975	1976	1977	1977/75	1977/76
<i>Metro/Regions</i>	\$	\$	\$	%	%
Municipal Taxes	252	294	321	27.4	9.1
Municipal Charges	21	12	14	-34.4	16.7
Subtotal	273	306	335	22.7	9.5
School Taxes	238	281	327	37.4	16.4
Total	511	587	662	29.5	12.8
<i>Cities</i>					
Municipal Taxes	234	255	280	19.6	9.8
Municipal Charges	18	21	23	27.8	9.5
Subtotal	252	276	303	20.2	9.8
School Taxes	154	206	224	45.5	8.7
Total	406	482	527	29.8	9.3
<i>Rural South</i>					
Municipal Taxes	124	124	134	8.1	8.1
Municipal Charges	18	26	29	61.1	11.5
Subtotal	142	150	163	14.8	8.7
School Taxes	124	156	167	34.7	7.1
Total	266	306	330	24.1	7.8
<i>Rural North</i>					
Municipal Taxes	112	113	122	8.9	8.0
Municipal Charges	11	29	35	218.0	20.7
Subtotal	123	142	157	27.6	10.6
School Taxes	85	99	106	24.7	7.1
Total	208	241	263	26.4	9.1
<i>Province</i>					
Municipal Taxes	225	246	269	19.6	9.3
Municipal Charges	19	15	18	-6.3	20.0
Subtotal	244	261	287	17.6	10.0
School Taxes	195	237	270	38.5	13.9
Total	439	498	557	26.9	11.8

Residential Tax Burdens

In 1977 average residential taxes per household were 2.6 percent of average household income throughout the province. Property taxes in 1975 consumed 2.4 percent of income.

The tax burden expressed as taxes as a percentage of income by type of municipality showed a general increase. All groups except the cities had increases of 0.1 to 0.3 per-

Residential Tax Burdens

Table 5-6

	1975	1977	1977/75	1977/76
	\$	\$	%	%
<i>Regions</i>				
Property Tax/Hshld.	511	662	29.5	12.8
Income/Hshld.	19,300	22,900	18.7	7.8
Property Tax/Income	2.6	2.9	11.5	7.5
<i>Cities</i>				
Property Tax/Hshld.	406	527	29.8	9.3
Income/Hshld.	17,600	20,600	17.0	8.6
Property Tax/Income	2.3	2.6	13.0	4.0
<i>Rural South</i>				
Property Tax/Hshld.	266	330	24.1	7.8
Income/Hshld.	14,800	17,400	17.6	10.8
Property Tax/Income	1.8	1.9	5.0	Ngl.
<i>Rural North</i>				
Property Tax/Hshld.	208	263	26.4	9.1
Income/Hshld.	15,500	18,100	16.8	9.5
Property Tax/Income	1.3	1.4	7.7	Ngl.
<i>Province</i>				
Property Tax/Hshld.	439	557	26.9	11.8
Income/Hshld.	18,000	21,200	17.8	8.1
Property Tax/Income	2.3	2.6	13.0	8.0

centage points of taxes to income from 1975 to 1977. Average residential taxes per household increased 11.8 percent over 1976 while incomes per household increased 8.1 percent.

Net Tax Burdens Per Household

The Province of Ontario provides property and pensioner tax credits to offset the burden to those least able to pay property taxes. In addition, local government provides tax credits to individuals who, for a variety of reasons, cannot afford the tax. In 1977 these tax offsets were \$115 per household, the same as in 1975. The credits reduced residential taxes per household on average to \$442 in 1977. The result to the average household was to decrease residential taxes as a percent of income from 2.6 to 2.1 percent. However, relative to 1975 even on a net tax basis, property taxes increased as a proportion of income by 0.3 percentage points.

Average Residential Property Taxes and Tax Offsets Per Household, 1975 to 1977

Table 5-7

	1975	1977	1977/75	1977/76
	\$	\$	%	%
Municipal Taxes and Charges	240	287	19.6	10.0
School Taxes	203	270	33.0	13.9
Gross Property Tax	443	557	25.7	11.8
Tax Offsets*	115	115	Ngl.	Ngl.
Net Property Tax	328	442	34.7	15.4
Share of Household Income (%)				
Gross Taxes	2.4	2.6		
Net Taxes	1.8	2.1		

*Includes Provincial tax credits and municipal programs.

Chapter 6

Long Term Borrowing, Debt and Debt Charges

Long Term Borrowing

Long term borrowing by municipalities, their enterprises, and the school boards decreased by 17 percent in 1977, compared to a record 50 percent increase in 1976. The total amount of borrowing in 1977 was \$530 million. Of this amount, \$472 million was borrowed by the municipalities and \$58 million by the school boards. The Ontario Government's restraint program and the Ontario Municipal Board's continued control of unessential capital expenditures had a limiting effect on the growth of local sector capital expenditures and their subsequent financing in 1977. In 1976, borrowing was extraordinary high because municipalities reduced their unfinanced capital debt in that year.¹ The total decrease in unfinanced debt from 1975 to 1977 was 74 percent.

Municipal purpose borrowing from the Ontario Government continued to decrease in 1977. The decrease was 10.8 percent over 1976 while borrowing from the Federal Government increased 115.8 percent, due mainly to loans from Central Mortgage and Housing Corporation for housing projects. Although municipalities borrowed more

Long Term Borrowing by Sources			Table 6-1	
	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>Issued by Municipalities</i>				
Ontario	84	66	-11.4	-10.8
Federal Government	27	41	51.9	115.8
Public	223	365	63.7	-19.6
Subtotal	334	472	41.3	-13.7
<i>Issued by School Boards</i>				
Ontario	83	58	-30.1	-35.6
Public	6	0	—	—
Subtotal	89	58	-34.8	-35.6
Total Borrowed	423	530	25.3	-16.8

from these government sectors in 1977, there was an overall decrease in borrowing from the Province and the Federal Government from 1975 to 1977. In contrast, municipal borrowing from the public increased 63.7 percent from 1975 to 1977, but experienced a decrease of almost 20 percent in 1977 over the 1976 level of financing.

The school boards' capital borrowing from the Province declined by 35.6 percent from 1976 to 1977. The overall decrease from 1975 was 34.8 percent.

Net Long Term Debt Outstanding

The total net long term debt outstanding at the end of 1977 was over \$4.2 billion, an increase of \$339 million over 1976. This was a growth rate of almost 9 percent, the same rate of increase as in 1976. In addition, there was a balance of \$89 million representing capital outlays unfinanced at the end of 1977. This amount is assumed to be unfunded

Borrowing, Net Debt and Unfinanced Capital Expenditures

Table 6-2

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>New Long Term Borrowing</i>				
Municipalities	334	472	41.3	-13.7
School Boards	89	58	-34.8	-35.6
Total	423	530	25.3	-16.8
<i>Net Debt Outstanding</i>				
Municipalities	2,104	2,838	34.9	15.7
School Boards	1,501	1,437	-4.3	-3.2
Subtotal	3,605	4,275	18.6	8.6
<i>Unfinanced Capital Expenditures</i>				
Municipalities	326	77	-76.4	-57.4
School Boards	20	12	-40.0	-140.0
Subtotal	346	89	-74.3	-52.2
<i>Total Capital Fund Liabilities</i>				
Municipalities	2,430	2,915	20.0	10.7
School Boards	1,521	1,449	-4.7	-2.7
Total	3,951	4,364	10.5	5.9

debt which, when added to current net debt and 1977 long term borrowing, resulted in a total outstanding debt against local government of \$4,364 billion in 1977. Total outstanding debt (long term borrowing and the unfinanced debt) increased about 6 percent over 1976 compared to a 4 percent increase from 1975 to 1976.

Total net debt for general municipal activities and their consolidated enterprises increased by 17 percent in 1977, which was approximately the same growth rate as 1976. The unconsolidated debt for enterprises, municipal hydro, hospitals and telephone decreased by \$3 million or 2 percent. School board debt also declined by 3 percent or \$47 million.

Net Long Term Debt by Function

For all functions, except transit, the amount of net long term debt outstanding increased in 1977. The transit debt decreased by \$2 million compared with a 5 percent increase in 1976.

The largest increases in outstanding debt in 1977 were shown against homes for the aged² and residential and industrial development. Debt outstanding for protective services increased by 11 percent in 1977 after a much higher increase of about 25 percent in 1976. The 1976 increase was mainly due to the large amount of debt issued for 'other protective services' (mainly street lighting). This change in debt for 'other' protection levelled off in 1977 with an increase of 7 percent.

The growth rate for roads debt increased to 4 percent in 1977 compared with a 15 percent increase in 1976, while debt outstanding for sewers increased by \$119 million or 19 percent in 1977 compared to a 13 percent growth rate in 1976. The increase in the growth rate of waterworks debt in 1977 slowed to 11 percent compared to a 23 percent increase from 1975 to 1976.

Net debt for solid waste grew 12 percent in 1977 over 1976. The overall increase from 1975 was 17.9 percent. Health and tile drainage debt had substantial growth rates

Net Long Term Debt Outstanding by Function

Table 6-3

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>General Government</i>	62	90	45.2	12.5
<i>Protection</i>				
Police	34	52	52.9	13.0
Fire	37	29	-21.6	11.5
Other	9	30	233.3	7.1
Subtotal	80	111	38.7	11.0
<i>Transportation</i>				
Roadways	380	451	18.7	4.4
Transit	149	152	2.0	-1.3
Subtotal	529	603	14.0	2.9
<i>Environment</i>				
Sewers	555	754	35.8	18.7
Waterworks	280	377	34.6	11.5
Solid Waste	39	46	17.9	12.2
Subtotal	874	1,177	34.7	16.1
<i>Health and Social Services</i>				
Health	62	80	29.0	21.2
Homes for Aged, ² and other Social Services	37	132	256.7	256.7
Subtotal	99	212	114.1	105.8
<i>Culture and Recreation</i>	246	356	44.7	8.2
<i>Planning and Development</i>				
Residential and Industrial Development ²	53	99	86.8	65.0
Tile Drainage	45	67	48.9	24.1
Subtotal	98	166	69.4	45.6
Total Municipal	1,988	2,715	36.6	16.7
Unconsolidated Enterprises	116	124	6.9	-2.4
School Boards	1,501	1,437	-4.3	-3.2
TOTAL	3,605	4,276	18.6	8.6
Total per household	1,252	1,401	11.9	5.4
Total as percent of Equalized Assessment	4.7	5.1		

of 21 percent and 24 percent respectively in 1977 while debt for recreational facilities increased by only 8 percent compared with 34 percent in 1976. This reflected the monitoring of essential versus non-essential projects by the Ontario Municipal Board and also the increasing use of Wintario grants to finance cultural and recreational capital expenditures.

On a per household basis, total debt outstanding, for which long term borrowing was completed (excluding unfinanced debt), increased by \$72 or 5 percent in 1977. The increase from 1975 to 1976 was just higher at \$77 per household or 6 percent.

Annual Capital Expenditures Financed from Revenue

Total debt charges for municipal and school board purposes increased by 10 percent in 1977 compared to 8 percent in 1976. Debt charges per household increased by 7 percent

compared to 4 percent in 1976. Debt charges for municipal purposes increased by 15 percent compared to 12 percent in the previous year, while the growth rate in debt charges for schools was considerably lower at 3 percent in 1977 and 1 percent in 1976. The higher increase in debt charges in 1977 was due to the reduction by local governments of their unfinanced capital outlays and also the declining value of the Canadian dollar in 1977 which added a premium to charges for debentures issued in the United States.

Although local governments spend a major portion of their current revenues on operating expenditures, funds from current revenues are allocated to capital projects, either by direct transfers to the capital fund or by supporting long term debt through debt charges. In 1977, the total local sector contributed 8.3 percent of revenue fund spending to debt charges and 3.5 percent to direct contributions to the capital fund. This total financing of capital projects from current expenditures at 11.8 percent was down from the 1975 level of 14.1 percent. The decrease was attributable mainly to the school sector where financing from both debt charges and transfers from current revenues declined over the period. This reflected the reduction in school capital expenditures. Municipalities also experienced a decrease in the amount of capital financing from current revenues from 6.1 percent in 1975 to 5.0 percent in 1977. However, there has been an increase in the percentage of financing from long term debt. Debt charges increased from 9.8 percent of revenue fund spending in 1976 to 10.1 percent in 1977. Municipalities therefore, allocated about 15 percent of their revenue fund spending to capital financing in 1977.

Annual Capital Expenditures Financed from Revenue Fund

Table 6-4

	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>Total Debt Charges</i>				
Municipal	299	385	28.8	14.9
School Boards	207	215	3.9	2.9
Subtotal	506	600	18.6	10.3
<i>Capital Expenditures Financed From Revenue Fund</i>				
Municipal	186	193	3.8	-2.5
School	105	63	-40.0	-10.0
Subtotal	291	256	-12.0	-4.5
<i>Total Debt Charges and Capital Expenditures from Revenue Fund</i>	797	856	7.4	5.4
<i>Debt Charges as percent of Revenue Fund Expenditure</i>				
Municipal	9.8	10.1		
Schools	8.0	6.3		
<i>Capital Expenditures as percent of Revenue Fund Expenditures</i>				
Municipal	6.1	5.0		
Schools	4.0	1.8		
Subtotal	5.1	3.5		
<i>Total as percent of Revenue Fund Expenditures</i>	14.1	11.8		

Chapter 7

Year End Position

Revenue Fund

At the end of 1977, local government had an overall current surplus of \$189 million, an increase of \$23 million over 1976. The current surplus represented 2.6 percent of current revenues, up from 2.3 percent in the previous year.

The municipal surplus decreased by only \$2 million in 1977, or less than 0.1 percent of revenues. This shows the municipalities set their budgets on a breakeven basis but in 1977 in total they spent more funds than they raised. Since 1970, there were only two years where an overall deficit occurred, 1974 and 1977. The school board surpluses showed an increase of \$25 million over 1976 which resulted because of overlevies by some school boards. Excepting years when strikes occurred, generally school boards have low year end deficits and surpluses. Therefore, the increase in teachers' salaries may have been overestimated when considering settlements in prior years.

Revenue Fund Surplus at End of 1977

Table 7-1

	Municipalities	School Boards	Total
	\$ Million	\$ Million	\$ Million
Surplus at Beginning of Year	159	7	166
Add: Revenues	3,822	3,498	7,320
Less: Expenditures	3,824	3,473	7,297
Surplus at End of Year	157	32	189

Capital Fund

For the total local sector the level of unfinanced capital expenditures at year end 1977 was \$89 million, a decrease of 59.2 percent below year end 1976. The balance of the unfinanced capital expenditures of the municipalities and consolidated boards was reduced by 63.8 percent in 1977, from a level of \$213 million in 1976 to \$77 million in 1977. This reduction was mainly due to Metropolitan Toronto completely financing the amount of \$67 million for prior years' capital outlays and its current capital expenditures. Most of the municipalities reduced the amount of their unfinanced capital outlays in 1977. However, school boards unfinanced capital expenditures increased by \$7 million to \$12 million.

Capital Fund Position at End of 1977

Table 7-2

	Municipalities	School Boards	Total
	\$ Million	\$ Million	\$ Million
Unfinanced Expenditures at Beginning of Year	213	5	218
Less: Revenue	1,242	121	1,363
Add: Expenditures	1,106	128	1,234
Unfinanced Expenditures at End of Year	77	12	89

Reserves and Reserve Funds

Local government reserves and reserve funds increased by \$150 million in 1977 to \$802 million. This represented a growth rate of 24.3 percent, 5.0 percentage points more than the increase in 1976. The growth was substantially larger than the growth of current revenues so that reserves and reserve funds as a percentage of total revenues grew to 9.5 percent in 1977 compared to 8.5 percent the previous year.

Municipal reserves and reserve funds increased by 24 percent in 1977, 1.0 percentage point more than the previous year. The high level of reserves held by the municipalities and the minor change in the revenue fund surpluses suggests that perhaps mill rates in 1977 could have been lower by using some of these reserves.

School board reserves and reserve funds increased by \$12 million, or 14 percent, compared to a decrease of \$3 million in 1976. The reserve funds for capital purposes increased by \$4 million and reserves for working funds to limit the increase of mill rates increased by \$8 million.

Balance of Reserves and Reserve Funds at End of Year				Table 7-3
	1975	1977	1977/75	1977/76
	\$ Million	\$ Million	%	%
<i>Municipalities</i>				
Reserves	197	278	41.1	28.1
Reserve Fund ^d	261	425	62.8	24.6
<i>School Boards</i>				
Reserves	61	59	-3.3	15.7
Reserve Funds	29	40	37.9	11.1
<i>Total Local Sector</i>				
Reserves	258	337	30.6	25.7
Reserve Funds	290	465	60.3	23.3
TOTAL	548	802	46.4	24.3

Tax Collections and Arrears

Collections of both current and prior years taxes in 1977 were slightly less than the 1976 level. Total tax collections, plus discounts, elderly residents' reductions and tax adjustments, amounted to 99.7 percent of the current tax levy, compared to 100.4 percent the previous year.

Tax Collections and Arrears

Table 7-4

	1975	1976	1977
	%	%	%
<i>Collections* as Per Cent of Levy</i>			
Current Year	93.8	94.6	94.2
Prior Years	4.4	4.5	4.4
Total	98.2	99.1	98.6
<i>Arrears as Per Cent of Levy</i>			
Current Year	6.0	5.4	5.7
Prior Years	1.9	1.8	1.6
Total	7.9	7.2	7.3
<i>Arrears as Per Household</i>			
Current Year (\$)	50	50	59
Prior Years (\$)	15	17	17
TOTAL (\$)	65	67	76

*Collections included Penalties and Interest.

Tax arrears increased by \$34 million to \$234 million in 1977. This increase represented 7.3 percent of the tax levy which was almost unchanged from 7.2 percent in 1976. The increase was entirely in the current year's tax arrears. The prior years remained unchanged at \$17 per household. The lower rate of tax collection and the increased arrears is a reflection of the slowdown of the economy in 1977.

Local Government 1977 Tax Roll

Table 7-5

	1976	1977	1977/76	Per Cent of 1977 Taxes Levied
	\$ Million	\$ Million	%	%
<i>Taxes Uncollected at the Beginning of Year</i>	186	200	7.5	6.3
<i>Additions to Tax Roll</i>				
Interim and Final Tax Billings	2,729	3,132	14.8	98.2
Sewer Charges Collected on Water Bills	36	56	55.5	1.8
Total Taxes	2,765	3,188	15.3	100.0
Penalties and Interest Added	20	24	20.0	0.7
Total	2,785	3,212	15.3	100.7
<i>Reductions</i>				
Collections: Current Year	2,613	2,996	14.6	94.0
Previous Years	123	134	8.9	4.2
Discounts and Reductions	39	48	23.1	1.5
Total	2,775	3,178	14.5	99.7
<i>Taxes Uncollected at Year End</i>				
Current	149	182	22.1	5.7
Previous Year	32	37	15.6	1.1
Prior Years	19	15	-21.1	0.5
Total	200	234	17.0	7.3

**PART II. MUNICIPAL REVENUE FUND—
ANALYSES OF EXPENDITURES
AND REVENUES**

Chapter 1

Introduction

The 837 municipalities in the province provide a wide variety of local government services. Analyses of municipal spending have usually compared spending per household among groups of municipalities categorized by size, status or geographical location. One of the main problems with this type of analysis is that different categories of municipalities provide different local government services. This is most obvious when comparing urban and rural municipalities. The urban groups provide a wider range of services and, therefore, have higher levels of spending.

However, even among municipalities that appear very similar, there are a number of factors that must be taken into account in making comparisons of financial performance. For example, in southern Ontario municipal services are provided by two levels of municipal government generally referred to as the upper tier (county or region) and lower tier or area municipality, respectively. Cities and separated towns are not included in counties for municipal service purposes, but cities in regions do receive services through their regions. In dollar terms, road services are the main function performed by counties. For regions, the road system is usually more comprehensive because major arterial roads in their member cities are included. Also, in most instances regions are responsible for the local police services which are the responsibility of the lower-tier municipalities in counties. At any rate, cities located in county areas and all municipalities in districts in northern Ontario in effect combine the responsibilities of both municipal tiers compared to municipalities in regions. Their respective financial performance should take these factors into account.

Further complications arise because in counties and districts, services can be provided through special purpose bodies such as District Health Boards, District Homes for Aged, County Planning or Welfare Boards, etc. The latter create an upper tier form of organization for particular services.

Moreover, because of the different methods of organizing service delivery, it is quite clear that the number of municipalities providing a service does not necessarily reflect precisely the population or the number of households receiving that service. For example, regions that have the responsibility for policing include their area municipalities and in Metro Toronto this includes the City of Toronto and five boroughs. Similarly, in three regions, transit is an upper tier responsibility covering all or most of their member area municipalities.

A second component of this analysis deals with the conditional or specifically allocated revenue sources that the municipalities use to pay for different services, including direct charges to individuals or consumers (user fees) and provincial conditional grants. This kind of analysis also must deal with a number of complications. Perhaps the most significant area is in comparing the proportion of spending financed by grants, mainly transfers from the Province, and other sources of revenue. Debt charges are regarded as annual operating expenses and are shown accordingly. However, for certain services, municipalities receive grants to cover a substantial part of the capital cost of public works (e.g. roads, sewer and water plants, etc.); the debt charges may represent a municipality's share of the capital cost which was borrowed and which was not eligible for grant. This

kind of situation was most prevalent in the case of spending and financing for roads and related structures (bridges, etc.) where grants cover a proportion of maintenance costs, but not debt charges because the grants for that spending were paid on the capital spending operations. Thus, a municipality's financing experience may show relatively high expenditures on roads and the grants as proportion of the total may be low, but this could merely reflect high capital spending and grants in prior years. A similar municipality that did not have the same level of capital spending would have lower operating expenses simply because it did not have debt charges, but its maintenance cost for a comparable road network could be the same.

Other decisions can have similar results. A number of municipalities with large capital spending programs have decided to use current revenues for at least a part of their capital spending (by including a "capital levy" in their annual budget). Rather than borrow for an arena, fire hall and its share of a road project, a municipality may borrow only for one or two of the facilities and pay cash for the remainder. Thus debt charges would appear for one or two services, but not for all.

This report will not deal with all possible spending and financing alternatives and organizational arrangements available to municipalities, but the approach for each municipal service studied here tends to minimize the comparability problems. For a general overview of performance with sufficient numbers in each municipal group or category, the results are generally valid. Such facts are no doubt useful for a number of applications, particularly for municipalities that are attempting to identify potential

Municipal Service Responsibility

Table 1-1

Service	Number of Municipalities Responsible				Average Spending/ Household
	Single Level		Shared Level		
	Upper Tier	Lower Tier	Upper Tier ¹	Lower Tier	
					\$
General Government	39	791	—	—	62
Protection					
Fire	15 ²	771	—	—	54
Police	10	174	—	—	138
Transportation					
Roads	—	—	39	791	198
Transit	3	68	—	—	157
Environment					
Sewers	—	267	13	66	81
Water	8	336	5	35	77
Solid Waste	—	672	10	93	35
Health and Social					
Health	—	—	49	577	38
General Assistance	—	—	43	367	67
Assistance to Aged	—	—	47	357	61
Assistance to Children	—	—	49	747	45
Recreation and Culture					
Parks and Recreation	—	771	1	6	64
Libraries	1	391	18	123	23
Planning and Development	—	—	39	721	18

¹Includes boards and commissions in district municipalities.

²Fire Co-ordinators only.

areas to reduce costs. Nevertheless, if a reader was attempting to develop cost performance or financing standards by comparing the operations in a number of municipalities, a specific exercise would be required ensuring more exact comparability.

Table 1-1 lists the services analyzed, the number of municipalities providing each of the services independently, on a shared basis or by contributing toward the costs through a special purpose body, and the over-all spending per household.

For both the spending and revenue analysis, only municipal revenue fund or operating account is included. Capital fund operations are not.

In 1977, 830 municipalities reported spending for general government at an average of \$62 per household. The least frequently provided service was transit with only 71 municipalities reporting spending on this service in 1977 at an average of \$157 per household.

Municipal revenue fund sources were property taxation, provincial grants (conditional and unconditional), user fees and other miscellaneous revenue. The percentage of expenditures supported by conditional grants and user fees are analyzed by service. In 1977, the service with the highest level of support from provincial conditional grants was assistance to children, part of the social and family service programs administered by municipalities. The service with the lowest level of conditional provincial support in 1977 was fire for which grants were less than one-half of one percent of revenue fund spending. The service with the highest level of support from user fees was water at 64.2 percent. Fire services had the lowest level of support from user fees at 0.3 percent. In all cases, the difference between conditional sources of revenue and spending was made up by the general tax levy, unconditional grants and miscellaneous revenues.

The municipalities had different priorities in their provision of services. Conditional grants were tied only to specific services. Those municipalities which placed a low priority

Revenue Fund Revenue Analysis—Provincial Averages

Table 1-2

	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>General Government</i>	0.5	2.6
<i>Protection</i>		
Fire	0.0	0.3
Police	0.1	2.3
<i>Transportation</i>		
Roads	34.1	2.4
Transit	14.7	57.5
<i>Environment</i>		
Sewers	1.8	24.0
Water	0.1	64.2
Solid Waste	0.3	10.6
<i>Social and Family</i>		
Health	48.1	3.5
General Assistance	70.9	0.7
Assistance to Aged Persons	45.3	35.5
Assistance to Children	78.6	2.6
<i>Recreation and Culture</i>		
Parks and Recreation	2.4	22.6
Libraries	17.5	2.3
<i>Planning and Development</i>	6.6	15.9

on these services received a corresponding low level of conditional grants relative to total revenue fund spending. With lower levels of conditional grants, property taxes would generally have been higher. However, high taxes gave rise to larger unconditional grant allocations relative to conditional grants, since they are calculated against the tax levy (excluding per capita grants).² This result held for all groups of municipalities on Table 1-3 except in area municipalities in regions greater than 50,000 population and townships in regions of less than 5,000 population. As a corollary, those groups of municipalities receiving high levels of conditional grants have a low tax level as a percentage of the total revenue fund revenues and, therefore, had a correspondingly low percent of the total in unconditional grants. This was best illustrated by the two categories of counties.

The reasons the area municipalities in regions did not fit the pattern of this argument were two-fold. First, the municipalities in regions had high rates of growth which tended to require immediate levels of spending, whereas their unconditional grant allocations

Composition of Revenue Fund Revenues

Table 1-3

	Property Taxation	Unconditional Grants	Conditional ¹ Grants	User Fees	Other Revenue
	%	%	%	%	%
<i>Greater than 50,000</i>					
Regions	42.4	11.5	19.7	22.5	4.0
Counties	31.6	1.5	51.6	13.2	2.1
Cities					
—In Regions	54.6	5.8	6.4	12.5	20.6
—In Counties	49.2	10.8	13.4	16.2	10.4
—In Districts	36.0	24.6	17.5	14.3	7.6
Towns					
—In Regions	56.6	3.7	8.0	17.0	14.6
Townships					
—In Regions	52.2	12.7	5.7	9.4	20.0
<i>10,000–50,000</i>					
Counties	27.8	1.4	53.0	14.2	3.6
Cities					
—In Regions	57.1	11.6	9.5	8.9	12.9
—In Counties	47.7	16.2	9.7	17.1	9.4
Towns					
—In Regions	51.8	9.6	14.1	11.2	13.2
—In Counties	50.3	14.7	6.7	20.4	7.9
—In Districts	30.9	22.5	22.7	14.3	9.6
Townships					
—In Regions	52.1	9.4	15.1	11.4	12.1
—In Counties	45.1	13.9	11.4	15.7	13.8
<i>5,000–10,000</i>					
Separated Towns	43.2	18.4	9.7	20.7	8.0
Towns					
—In Regions	51.8	10.9	13.3	4.6	19.4
—In Counties	42.0	17.0	9.1	20.0	11.9
—In Districts	35.8	23.3	15.1	17.3	8.4
Townships and Improvement					
Districts					
—In Regions	43.8	12.1	20.4	10.6	13.1
—In Counties	43.0	11.7	20.1	14.5	10.6
<i>Less than 5,000</i>					
Towns and Villages					
—In Counties	36.0	16.8	10.7	24.9	11.6
—In Districts	27.7	28.3	17.2	11.9	14.9
Townships and Improvement					
Districts					
—In Regions	59.6	3.6	22.1	7.2	7.5
—In Counties	34.8	12.0	33.0	11.1	9.1
—In Districts	30.6	22.8	26.9	6.9	12.8
TOTAL	45.4	10.8	16.4	17.1	10.3

¹Excludes Provincial Assistance to Children's Aid Societies.

lagged behind spending by at least one year. At the same time, these municipalities had the higher assessment bases and, therefore, received lower rates for the resource equalization grant. A second component involved in the lower unconditional grant levels to area municipalities in regions was the fact that the upper tier municipalities received the per capita grants and used them to reduce the upper tier levy correspondingly.

The level of user fees supporting total spending in different municipalities depended, to a certain extent, on the services provided and the choice of financing (direct charges versus general taxation). The municipalities providing transit and homes for the aged generally received high levels of user fees since these services required direct charges. Other services such as sewer and water reflected a high level of user fees if a water billing procedure was involved. Some municipalities recovered the full cost of their sewer systems through a surcharge on water bills while others collected the needed revenues as part of general taxation. Therefore, the level of taxation and user fees as a percent of total revenue reflected these local choices.

The last category of municipal revenue fund revenues was other revenues which included licences and permits, investment income and miscellaneous revenues not directly allocated to any specific service. The most notable statistic from Table 1-3 was the very low level of other revenues for upper tier municipalities (regions and counties) compared to all other municipal groups. This occurred because lower tier municipalities had most of the licencing and inspection functions of local government.

In any given year municipalities have been required to balance their budgets. After estimating the levels of provincial grants, conditional and unconditional, and the level of other revenues, a municipality raised the remainder from user fees and general taxation. Since property taxation, unconditional grants and other revenues can be allocated to any particular service, mainly as a residual to conditional sources, the remainder of this analysis deals primarily with the conditional sources, i.e., user fees and conditional grants.

Similarly, the ensuing analysis deals with the different categories of municipalities providing each service and the different methods each group used to finance these services.

Chapter 2

General Government

General government services were provided by all municipalities in Ontario. Since this service included the salaries and wages of both council and general administration, there was a minimum level of expenditure required. Also, the number of elected and appointed officials tended to increase with population size. Therefore, the minimum level of expenditure approached uniformly both within and across the population categories as shown on Table 2-1 (the low level of expenditure per household column). In comparing the three columns, average, low and high per household respectively in 1977, the range and standard deviation (measures of dispersion) were lowest for all municipalities in the low per household column. The low per household average at \$48 showed a standard deviation of \$22 while the high per household average of \$208 displayed a standard deviation of \$228. The level of standard deviation for the high per household column suggested that after a minimum level of expenditure occurred on council and administration, other expenses such as the cost of temporary borrowing and provisions for reserves and reserve funds, caused the level of per household expenditure to vary without consistent trends.

The highest level of expenditure at \$1,229 per household occurred in the Moosonee Development Area Board which was included in the category of townships of less than 5,000 population in districts. The Moosonee Development Area Board had a total expenditure of \$482,869 in 1977. The largest component of this expenditure was a transfer of \$258,224 to own funds. This included a direct contribution to the capital fund of \$50,224 and a contribution of \$208,000 to reserve funds for the Moosonee Development Area Board Trust. (The contribution to the Trust resulted from the sale of former Canadian Forces Base housing.) Without these financial transactions, the level of spending per household would have been more than halved.

The lowest level of expenditure occurred in the counties in general. The counties in the 10,000 to 50,000 population range had spending per household of \$4 because of the limited services provided by counties and the resulting low costs of administration.

A comparison of the rates of increase in spending per household from 1975 to 1977 and from 1976 to 1977 showed wide variation. With the in-year comparisons among groups, the main source of variation was financial expenses such as contributions to own funds. These contributions may occur in one year and not another and, thus, cause high variations in growth rates.

The conditional sources of financing general government spending included user fees and conditional grants. User fees for general government services were mainly charges to individuals and firms engaged in title searches on properties and who were provided information regarding tax liens on properties for sale. These fees ranged from a low of 0 percent of expenditure in three categories in towns in districts with a population of 10,000 to 50,000 to a high of 4.4 percent for cities in counties with a population greater than 50,000. The average amount of fees to offset general government costs for all municipalities providing the service was 2.6 percent.

Revenue Fund Spending Analysis

Table 2-1

		General Government					
		No. of Mun.	Average/ Hshld.	Low Hshld.	High Hshld.	1977/75	1977/76
			\$	\$	\$	%	%
<i>Greater than 50,000</i>							
Regions		13	37	12	84	37.0	27.6
Counties		15	20	9	44	13.3	-4.8
Cities	—In Regions	18	102	35	181	30.8	13.3
	—In Counties	7	99	55	125	15.1	12.5
	—In Districts	4	104	80	127	14.3	-3.7
Towns	—In Regions	2	61	58	66	8.9	1.7
Townships—In Regions		2	106	72	133	-2.8	-9.4
<i>10,000—50,000</i>							
Counties		11	16	4	31	17.5	13.0
Cities	—In Regions	6	75	50	117	-6.3	-2.6
	—In Counties	10	95	73	156	18.8	13.1
Towns	—In Regions	29	79	45	141	2.1	-2.7
	—In Counties	7	108	59	195	35.0	31.7
	—In Districts	4	122	74	218	17.3	7.0
Townships—In Regions		12	80	44	215	14.3	8.1
—In Counties		7	66	41	102	34.7	1.5
<i>5,000—10,000</i>							
Separated Towns		5	119	85	198	58.7	45.1
Towns	—In Regions	7	81	38	351	8.0	4.7
	—In Counties	20	91	56	141	145.9	5.8
	—In Districts	8	147	76	199	22.5	2.8
Townships and Improvement							
Districts	—In Regions	13	74	49	113	-8.6	0.0
	—In Counties	32	62	27	122	21.6	1.6
<i>Less than 5,000</i>							
Towns and Villages							
	—In Counties	150	105	30	524	32.9	16.7
	—In Districts	31	152	73	287	-7.1	16.7
Townships and Improvement							
Districts	—In Regions	4	43	34	84	2.4	-4.4
	—In Counties	288	60	20	234	33.3	12.0
	—In Districts	125	132	41	1,229	53.5	17.9

Conditional grants, which averaged 0.5 percent of spending on general government throughout the province, were mainly grants paid by the Province for the support of employing students in the administration and planning departments of municipalities. The grant paid was 80 percent of a student's salary up to a maximum grant of \$125 per week.

	General Government	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	1.3	1.6
Counties	4.5	1.4
Cities —In Regions	0.3	3.8
—In Counties	0.1	4.4
—In Districts	0.1	4.0
Towns —In Regions	0.9	2.5
Townships—In Regions	0.0	1.2
<i>10,000-50,000</i>		
Counties	1.7	1.2
Cities —In Regions	0.4	0.6
—In Counties	0.1	1.1
Towns —In Regions	0.3	1.7
—In Counties	0.3	0.8
—In Districts	0.7	0.0
Townships —In Regions	0.0	1.2
—In Counties	0.6	1.3
<i>5,000-10,000</i>		
Separated Towns	0.0	0.3
Towns —In Regions	0.7	0.7
—In Counties	0.6	1.0
—In Districts	0.2	3.7
Townships and Improvement		
Districts —In Regions	1.3	0.7
—In Counties	0.4	2.3
<i>Less than 5,000</i>		
Towns and		
Villages —In Counties	0.4	1.0
—In Districts	0.3	0.9
Townships and Improvement		
Districts —In Regions	0.0	1.4
—In Counties	0.5	1.4
—In Districts	0.4	0.6

Chapter 3

Protection Services

Fire Protection

Fire protection services were provided by 791 municipalities in the province in 1977. Fire protection as a municipal service was usually provided by a full time fire department or, in some smaller municipalities, by a volunteer force with a full time fire chief. The two methods had corresponding differences in average spending per household. In addition, the larger municipalities spent more on fire protection than smaller municipalities regardless whether the service was supplied using volunteers or full time fire fighters. It appeared the higher the population, the higher the expenditure per household.

In the large municipalities, greater than 50,000 population, the average expenditure per household ranged from \$60 to \$103 in 1977. The lowest for any of the 33 municipalities in the group was \$44 per household, while the highest was \$130. In comparison, excluding townships, the municipalities in the 10,000 to 50,000 population range had expenditures per household ranging from \$19 to \$139 with an overall average of \$35 per household, slightly under those in the greater than 50,000 population group. All municipalities below the 10,000 population category and the townships in the 10,000 to 50,000 category had substantially lower levels of average expenditure per household. The lower average spending figures reflected the predominance of volunteer fire departments in the rural areas with lower populations. The upper tier municipalities, counties and regions showed a negligible level of spending per household. This expenditure was for fire co-ordinators, a service provided by the upper tiers for the co-operation of the lower tier service. Since the expenditure did not include the costs of fire-fighting, i.e., salaries and equipment, it was small on a per household basis.

The rates of change in expenditure exhibited by the different municipal categories did not reflect the same degree of variation as that of general government. In 1977 compared to 1976, only four groups showed a decrease in expenditures per household. Four groups had indicated increases of 0 to 5 percent, while three groups experienced growth rates of 5 to 10 percent. In the urban municipalities (i.e. greater than 10,000 population), growth rates in the 1977 over 1976 period varied from 0 to 12 percent. The high level of variation in the rural municipalities' growth rates reflected their policy of providing capital equipment on a cash basis in one year; such purchases took place infrequently.

The financing of fire services occurred almost totally through taxation and unconditional revenues. The only sources of financing outside of these unconditional sources in 1977 were payments by the Province for the protection of crown lands. These payments were low relative to total fire protection spending. The highest was 1.0 percent of total expenditure in townships and improvement districts less than 5,000 population in districts.

Revenue Fund Spending Analysis

Table 3-1

	No. of Mun.	Fire Protection			1977/75	1977/76
		Average/ Hshld.	Low Hshld.	High Hshld.		
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	10	Ngl.	Ngl.	Ngl.	0.0	0.0
Counties	4	1	Ngl.	3	-17.3	-1.5
Cities —In Regions	18	94	58	130	17.5	10.6
—In Counties	7	91	75	100	12.3	1.1
—In Districts	4	103	81	118	15.7	9.6
Towns —In Regions	2	60	44	73	17.6	5.3
Townships—In Regions	2	87	75	102	27.9	4.8
<i>10,000—50,000</i>						
Counties	1	Ngl.	Ngl.	Ngl.	0.0	0.0
Cities —In Regions	6	76	25	120	15.2	7.0
—In Counties	10	90	66	113	13.9	4.7
Towns —In Regions	29	43	19	139	13.2	4.9
—In Counties	7	57	22	94	16.3	1.7
—In Districts	4	79	66	111	21.5	3.9
Townships—In Regions	12	28	10	77	16.7	12.0
—In Counties	7	31	11	71	6.9	0.0
<i>5,000—10,000</i>						
Separated Towns	4	53	39	67	1.9	-3.6
Towns —In Regions	7	35	12	222	25.0	9.4
—In Counties	20	34	13	104	3.0	-5.6
—In Districts	8	63	29	92	31.3	26.0
Townships and Improvement						
Districts —In Regions	13	30	15	106	20.0	15.4
—In Counties	32	21	5	68	16.7	16.7
<i>Less than 5,000</i>						
Towns and Villages —In Counties	146	23	Ngl.	123	4.5	-4.2
—In Districts	31	41	4	161	17.1	5.1
Townships and Improvement						
Districts —In Regions	4	15	8	35	25.0	36.4
—In Counties	284	15	Ngl.	69	15.4	15.4
—In Districts	113	34	2	81	41.7	41.7

	Fire Protection	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	0.0	0.0
Counties	0.0	2.7
Cities —In Regions	0.0	0.2
—In Counties	0.1	0.2
—In Districts	0.0	0.1
Towns —In Regions	0.0	0.5
Townships—In Regions	0.0	0.2
<i>10,000—50,000</i>		
Counties	0.0	0.0
Cities —In Regions	0.0	0.3
—In Counties	0.0	0.2
Towns —In Regions	0.0	0.6
—In Counties	0.0	0.6
—In Districts	0.0	0.0
Townships—In Regions	0.0	0.9
—In Counties	0.5	1.1
<i>5,000—10,000</i>		
Separated Towns	0.0	0.0
Towns —In Regions	0.7	0.0
—In Counties	0.0	0.9
—In Districts	0.0	0.4
Townships and Improvement		
Districts —In Regions	0.1	0.6
—In Counties	0.2	1.1
<i>Less than 5,000</i>		
Towns and		
Villages —In Counties	0.3	4.7
—In Districts	0.2	1.8
Townships and Improvement		
Districts —In Regions	0.0	0.3
—In Counties	0.4	1.1
—In Districts	1.0	0.7

Police Services

A total of 181 municipalities reported expenditures on police services in 1977. The average expenditure per household by these municipalities was \$138. The level of expenditure increased with population size in the 10,000 to 50,000 and the greater than 50,000 population groups. However, municipalities in the other two categories by population size showed wide variation in expenditure.

In the greater than 50,000 population group, spending per household on average for each type of municipality ranged from a low of \$117 in townships in regions to a high of \$162 for regional police forces. Similarly, in the 10,000 to 50,000 population group, spending per household ranged from a low of \$91 in townships in counties to \$126 for cities in regions. In general, these figures reflected the different service levels provided by the different types of municipalities.

The highest level of spending on police services was experienced in Metropolitan Toronto at \$198 per household in 1977. The second highest in the regions was Hamilton-Wentworth at \$159 per household while the third was Peel at \$136. The level of relative expenditure varied directly with the service level provided. In Metropolitan Toronto

Revenue Fund Spending Analysis

Table 3-3

	No. of Mun.	Average/ Hshld.	Police Protection		1977/75	1977/76
			Low Hshld.	High Hshld.		
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	10	162	67	198	26.6	12.5
Cities —In Regions	1	146	—	—	16.4	6.7
—In Counties	7	130	117	156	16.1	4.8
—In Districts	4	141	115	176	16.5	8.5
Townships—In Regions	2	117	101	129	20.6	4.5
<i>10,000—50,000</i>						
Counties	1	Ngl.	—	—	—	—
Cities —In Regions	2	126	116	138	12.5	5.9
—In Counties	10	125	101	139	17.9	9.6
Towns —In Counties	7	114	87	145	15.2	7.5
—In Districts	4	124	88	179	14.8	5.1
Townships—In Counties	3	91	69	141	30.0	18.2
<i>5,000—10,000</i>						
Separated Towns	4	123	93	156	13.9	5.1
Towns —In Regions	4	81	6	143	22.7	17.4
—In Counties	19	103	83	143	18.4	9.6
—In Districts	6	141	99	176	24.8	8.5
Townships and Improvement						
Districts —In Regions	2	32	31	33	23.1	0.0
—In Counties	5	31	2	4	55.0	24.0
<i>Less than 5,000</i>						
Towns and Villages —In Counties	61	83	Ngl.	193	23.9	6.4
—In Districts	4	7	2	15	40.0	40.0
Townships and Improvement						
Districts —In Counties	12	33	Ngl.	163	65.0	32.0
—In Districts	13	101	Ngl.	217	31.2	4.1

	Police Protection	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	0.0	0.7
Cities —In Regions	0.0	1.9
—In Counties	0.1	0.4
—In Districts	0.0	0.1
Townships—In Regions	0.0	1.0
<i>10,000—50,000</i>		
Counties	0.0	0.0
Cities —In Regions	0.8	0.9
—In Counties	0.7	1.5
Towns —In Counties	0.1	0.3
—In Districts	2.6	0.1
Townships—In Counties	2.6	1.5
<i>5,000—10,000</i>		
Separated Towns	0.4	0.0
Towns —In Regions	0.0	3.0
—In Counties	0.1	0.3
—In Districts	0.0	0.4
Townships and Improvement		
Districts —In Regions	0.0	0.0
—In Counties	0.0	0.0
<i>Less than 5,000</i>		
Towns and		
Villages —In Counties	2.2	0.5
—In Districts	0.0	0.0
Townships and Improvement		
Districts —In Counties	0.0	1.1
—In Districts	0.0	0.0

there was one constable for every 406 people, while Hamilton-Wentworth had one constable for every 608 and Peel, one constable for every 703 people. The lowest level of expenditure in regions on police occurred in Haldimand-Norfolk at \$67 per household in 1977. This low level occurred mainly because the local force policed only in the urban areas, while the Ontario Provincial Police patrolled all other territory. The cost shown, therefore, was only part of the cost of policing in Haldimand-Norfolk.

Though the spending levels tended to increase with the increase in service levels, both statistics were based on the resident population of the municipalities concerned. In Metropolitan Toronto the high service level was artificial in that it did not consider the day-time population increases due to commuters. Thus, a higher population was serviced than the figures state. To a lesser extent, the day-time commuter issue existed in all the main urban centres.

A second factor which influenced the level of spending on police services in the past few years was the arbitration settlement of two-man police cars. This resulted in improving the level of service and increasing the cost.

The rates of increase in spending per household from 1976 to 1977 for the different categories were highly concentrated in the area of 0 to 10 percent range. For those with

significant levels of spending, the range was even narrower. Police services, because of their high labour component, could be expanded in very small units and, therefore, rates of expenditure increases could be small. As well, police services were highly unionized and, therefore, increases in police salaries were fairly uniform for all local forces across the province, particularly over a period of two or more years.

The main sources of financing for police services were unconditional grants and property taxes. However, fines collected for traffic or parking violations or contraventions of municipal by-laws did provide a source of revenue. This source was relatively small in comparison to overall spending. Collections ranged from 0 percent of spending in five categories to a high of 1.9 in cities of greater than 50,000 population in regions.

Chapter 4

Transportation Services

Roads

The level of spending per household for roads in 1977 was high in all categories of municipalities relative to spending on other services. Total revenue fund spending on roads in 1977 was \$607 million or almost 16 percent of total municipal revenue fund spending.

Revenue Fund Spending Analysis

Table 4-1

	No. of Mun.	Average/ Hshld.	Roads		1977/75	1977/76
			Low Hshld.	High Hshld.		
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	13	75	44	150	29.3	19.0
Counties	15	93	31	196	12.5	10.9
Cities —In Regions	18	95	43	171	11.8	6.7
—In Counties	7	126	105	139	8.6	3.3
—In Districts	4	210	197	231	31.3	14.8
Towns —In Regions	2	144	122	162	8.3	8.3
Townships—In Regions	2	109	84	140	26.7	12.4
<i>10,000-50,000</i>						
Counties	11	99	62	229	5.7	7.8
Cities —In Regions	6	141	57	240	28.2	13.7
—In Counties	10	187	126	266	24.7	21.4
Towns —In Regions	29	167	92	244	16.8	15.2
—In Counties	7	134	100	163	-12.3	-7.6
—In Districts	4	245	219	260	10.9	5.6
Townships—In Regions	12	148	92	369	22.3	14.7
—In Counties	7	95	74	141	17.3	13.1
<i>5,000-10,000</i>						
Separated Towns	5	198	145	222	-3.9	8.2
Towns —In Regions	7	153	122	227	35.4	11.7
—In Counties	20	133	70	211	-0.7	1.5
—In Districts	8	222	127	345	20.0	16.8
Townships and Improvement						
Districts —In Regions	13	197	79	340	15.9	14.5
—In Counties	32	170	59	375	11.8	9.0
<i>Less than 5,000</i>						
Towns and Villages —In Counties	150	139	7	357	16.8	7.8
—In Districts	31	241	61	350	32.4	21.1
Townships and Improvement						
Districts —In Regions	4	89	49	181	25.4	15.6
—In Counties	288	209	54	919	18.1	25.9
—In Districts	125	281	57	4,330	30.1	26.0

	Roads	
	Conditional Grants as a % of Spending	User Fees as as % of Spending
<i>Greater than 50,000</i>		
Regions	25.5	1.4
Counties	59.0	0.8
Cities —In Regions	24.1	5.0
—In Counties	25.8	3.8
—In Districts	22.2	1.8
Towns —In Regions	20.7	2.3
Townships—In Regions	33.4	3.3
<i>10,000-50,000</i>		
Counties	65.1	1.1
Cities —In Regions	31.4	2.1
—In Counties	23.9	1.0
Towns —In Regions	34.5	2.1
—In Counties	28.4	1.3
—In Districts	22.7	1.4
Townships—In Regions	38.8	1.4
—In Counties	39.7	1.6
<i>5,000-10,000</i>		
Separated Towns	28.0	0.4
Towns —In Regions	38.8	3.1
—In Counties	34.4	1.4
—In Districts	26.4	1.0
Townships and Improvement		
Districts —In Regions	44.3	1.7
—In Counties	43.0	3.7
<i>Less than 5,000</i>		
Towns and Villages —In Counties	38.5	1.3
—In Districts	32.5	0.5
Townships and Improvement		
Districts —In Regions	48.4	4.8
—In Districts	55.5	1.4
—In Districts	57.0	0.7

In all categories which applied to municipalities in districts, the level of per household expenditures was high relative to municipalities in counties and regions. All other categories, except townships with less than 5,000 population in counties, were below the \$200 per household mark.

While the levels of expenditure experienced by all municipalities in districts were the highest of all groups analyzed, the amount of funding from conditional grants was highest for townships with less than 5,000 population in districts. This was an expected result in that the Ministry of Transportation and Communication's grant rates for roads are higher for townships than for urban municipalities. Table 4-2 shows that all townships received the highest level of conditional road grant support for each population category.

In analyzing the different levels of assistance provided by conditional grants, the levels of ineligible expenditure had the most adverse effects. The lower levels of support to cities in districts (22.2 percent), relative to all other cities with a population in excess of 50,000, was a reflection of higher levels of expenditure and, therefore, higher levels of costs

which were ineligible for grant support. In the population category of 10,000 to 50,000, towns in districts again had the lowest level of assistance for the same reason.

Under all categories of municipalities in districts, the low level of conditional grant support for roads did not necessarily cause a high level of property taxation in 1977. The unconditional grant allocations, as a percent of total revenues, were considerably higher for municipalities in districts than elsewhere in the province (see Table 1-3). Though the high level of unconditional grants normalized the higher level of spending for the municipalities in districts relative to all others, the unconditional grants did not ease the differential in conditional grant support in favour of the townships in the districts compared to their more urbanized counterparts.

In the past it was assumed that road grants levered municipalities into spending on roads. However, this analysis shows there was no relationship between the actual level of expenditure and the level of provincial assistance.

Road expenditures had a low level of support from user fees. These fees were not for the use of roadways but were charges to individuals and tax exempt properties for surfacing or snowploughing driveways.

The main sources of financing road expenditures were unconditional revenue sources (local property tax and provincial unconditional grants) and provincial road grants to municipalities.

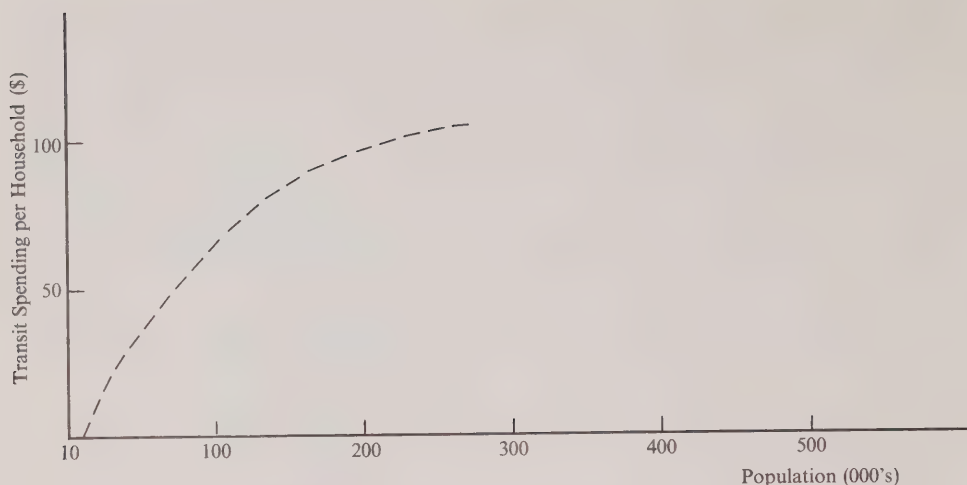
Transit

Only 71 municipalities provided transit in the province in 1977 at an average expenditure of \$157 per household for those municipalities serviced. The highest level of per household spending on transit was in Metropolitan Toronto at \$305 because it had the largest bus system and was the only municipality with a subway system. The lowest spending per household at \$2 occurred in the Township of Sandwich West. In Sandwich West, the reason for the low level of expenditure was that the service was provided only in the urban portions of the township from the neighbouring Windsor system. This spending was only the tax deficit of the portion of the Windsor system servicing Sandwich West.

The medium-size systems, which excluded the three regional systems (Metropolitan Toronto, Hamilton-Wentworth and Ottawa-Carleton) and those in municipalities of less than 10,000 population, have exhibited a trend toward increasing expenditure with increased population size. In the population grouping of municipalities with population greater than 50,000, the average per household spending ranged from \$52 to \$83 excluding the regions. In the lower population group of 10,000 to 50,000 the average level of expenditure ranged from \$11 to \$42 per household. The diagram on the following page plots expenditure per household for these groups against population size for the individual municipalities.

It appeared that the more urban the municipality, as reflected by population size, the greater the need for transit as a method of transportation to move large numbers of people in and out of the city cores.

The levels of spending increases from 1976 to 1977 varied from a decrease of 23.5 percent in towns with population greater than 50,000 in regions to a high of 400 percent in townships with less than 5,000 population in districts. In the small municipalities, towns and townships with 10,000 to 50,000 population and less, the growth rates were quite high ranging from 27 percent to 400 percent. The larger municipalities had growth rates from a minus 23.5 percent to a high of 22.9 percent. These differences in growth rates were a reflection of service expansion or changes. Service expansion on an already large service would show low percentage increases while in small urban centres, the addition of one extra route could cause large increases.



The predominant sources of financing transit services were user fees. In 1977 all systems in the province received 57.5 percent of their funding from user fees. The three regional transit systems had the highest level of self support at 61.2 percent while the lowest receiving these revenues was 2.5 percent in towns of less than 5,000 population in districts.

1977 Revenue Fund Spending Analysis

Table 4-3

	No. of Mun.	Average/ Hshld.	Transit		1977/75	1977/76
			Low Hshld.	High Hshld.		
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	3	252	57	305	36.6	22.9
Cities —In Regions	10	67	38	105	19.6	6.3
—In Counties	7	71	39	83	26.8	6.0
—In Districts	4	83	59	100	25.8	10.7
Towns —In Regions	2	52	37	65	-11.9	-23.5
<i>10,000-50,000</i>						
Cities —In Regions	3	35	11	46	20.6	-5.2
—In Counties	9	42	4	67	20.0	2.4
Towns —In Regions	9	19	7	49	46.2	35.7
—In Counties	2	19	18	20	-26.9	46.2
—In Districts	2	11	9	12	120.0	57.1
Townships—In Counties	3	11	2	18	37.5	0.0
<i>5,000-10,000</i>						
Separated Towns	5	Ngl.	Ngl.	Ngl.	0.0	0.0
Towns —In Counties	1	12	Ngl.	Ngl.	33.3	50.0
—In Districts	2	19	8	26	72.9	26.7
<i>Less than 5,000</i>						
Towns and Villages —In Counties	1	62	Ngl.	Ngl.	72.2	37.8
—In Districts	3	11	9	18	0.0	57.1
Townships and Improvement Districts —In Counties	1	5	Ngl.	Ngl.	0.0	0.0
—In Districts	4	10	2	23	0.0	400.0

Furthermore, as the size of the municipality decreased so did the level of self-support through user fees. The higher level of subsidy (i.e., lower user fees) could have been a reflection of attempts to gain ridership or a direct subsidy to a particular clientele such as aged persons or children. The high growth rates of expenditure in areas where user fees were low suggested that the low fees were an attempt to increase ridership.

The second conditional revenue source for transit was provincial subsidy. The subsidy applied to the operating deficit, i.e., expenditures minus user fees. For the categories examined, the level of provincial subsidy increased, though not uniformly, as the level of user fee decreased. As an example, the regional system had user fees of 61.2 percent of total expenditure and 12.7 percent support through provincial subsidy, while the category with the highest level of provincial subsidy, namely, towns 10,000 to 50,000 population in regions (44.0 percent) had user fees of 30.6 percent of total expenditure.

Revenue Fund Revenue Analysis		Table 4-4	
		Transit	
		Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>			
Regions		12.7	61.2
Cities	—In Regions	22.8	47.8
	—In Counties	20.7	33.3
	—In Districts	25.0	43.8
Towns	—In Regions	30.8	34.9
<i>10,000-50,000</i>			
Cities	—In Regions	25.0	39.9
	—In Counties	30.0	40.6
Towns	—In Regions	44.0	30.6
	—In Counties	29.3	33.1
	—In Districts	30.2	17.8
Townships	—In Counties	32.1	27.4
<i>5,000-10,000</i>			
Separated Towns		0.0	0.0
Towns	—In Counties	34.3	15.4
<i>Less than 5,000</i>			
Towns and			
Villages	—In Counties	28.0	0.0
	—In Districts	23.5	2.5
Townships and			
Improvement			
Districts	—In Counties	0.0	0.0
	—In Districts	62.0	0.0

Chapter 5

Environmental Services

Sewers

A total of 346 municipalities provided sewer services throughout the province. There were thirteen regional systems included in this total, eight of which provided direct service to individuals and five which only provided wholesale systems where the area municipalities provide the actual services to individuals. In addition, the Ministry of Environment owned and operated a number of sewer systems. In these cases, the municipality generally maintained the collection system and charged rates sufficient to cover its own costs and the charges of the Ministry.

The average expenditure per household for sewage collection and treatment was \$81 in 1977. The average spending per household for each category (excluding regions and area municipalities) ranged from a low of \$18 in townships of less than 5,000 population to a high of \$139 in townships of 10,000 to 50,000 population in districts. The highest spending for an individual municipality was \$386 per household.

Though there was a wide variation in expenditures per household in the 346 municipalities, there was a much narrower range in the urban centres in excess of 10,000 population. For comparison purposes it was necessary to add spending by regions to that of the lower tiers in regions due to the two tier structure of servicing in some circumstances. Cities in regions with greater than 50,000 population had total expenditures on sewer services of \$88 which is \$57 upper tier and \$31 lower tier. Given these adjustments, spending on average, in municipalities with a population of greater than 50,000 ranged from a low of \$81 per household in towns in regions to \$133 per household in townships in regions. After making the adjustment for the two tier service in regions, the average for cities greater than 50,000 in regions at \$88 was comparable to the average for cities in counties at \$83 and cities in districts at \$101. In regions, cities greater than 50,000 population and in cities and towns of 10,000 to 50,000 population showed slightly lower average spending than their counterparts in counties and districts. In the urban areas spending per household was lower in regions than it was in counties or districts.

In the more rural areas of the province, both north and south, the level of spending per household varied from very low to very high. The reasons for these extremes were that the low level of spending involved servicing only portions of the municipality, while the high were situations where costs due to soil conditions, density of development and the small number of users forced costs up substantially.

Another factor which caused the difference between the high and the low was the age of the system. Sewer systems have a long life and are replaced infrequently. The capital cost of the new are substantial. The areas with new systems have higher spending due to the debt component of annual spending than those with older systems and little or no debt.

In summary, given the exceptions due to partial servicing and particularly high cost systems, the level of spending by urban municipalities (excluding townships less than 10,000 population) in regions was lower than that of urban municipalities in counties

Revenue Fund Spending Analysis

Table 5-1

		Sewers					
		No. of Mun.	Average/ Hshld.	Low Hshld.	High Hshld.	1977/75	1977/76
			\$	\$	\$	%	%
<i>Greater than 50,000</i>							
Regions		13	57	26	118	42.5	21.3
Cities	—In Regions	18	31	2	57	0.0	6.9
	—In Counties	7	83	47	134	31.7	16.9
	—In Districts	4	101	63	116	42.3	24.7
Towns		2	24	10	42	-45.5	-46.7
<i>10,000-50,000</i>							
Cities	—In Regions	6	54	Ngl.	86	-38.6	8.0
	—In Counties	10	94	37	147	23.7	-1.1
Towns	—In Regions	24	12	2	37	45.5	42.9
	—In Counties	7	86	61	168	3.6	-3.4
	—In Districts	4	121	53	165	-7.6	6.2
Townships	—In Regions	6	13	1	29	-17.9	-23.5
	—In Counties	6	52	3	135	33.3	10.6
<i>5,000-10,000</i>							
Separated Towns		5	106	59	141	16.5	-8.6
Towns	—In Regions	5	13	Ngl.	162	-43.5	30.0
	—In Counties	20	69	17	216	15.0	-8.0
	—In Districts	8	139	61	201	24.1	46.3
Townships and Improvement							
Districts	—In Regions	6	5	Ngl.	11	-28.6	25.0
	—In Counties	8	33	5	67	43.5	73.7
<i>Less than 5,000</i>							
Towns and Villages							
Villages	—In Counties	109	105	1	386	75.0	26.5
	—In Districts	18	98	14	223	53.1	-4.9
Townships and Improvement							
Districts	—In Counties	26	18	Ngl.	340	50.0	28.6
	—In Districts	32	67	1	225	52.3	24.1

and districts. The five urban categories in regions had an average expenditure of \$82 per household while those in districts and counties averaged \$115 and \$99 respectively.

In 1977 spending per household on sewer services increased by 15.6 percent on average. Out of the twenty-two categories of municipalities providing the service seven had decreases in expenditures ranging from a 1.1 percent decrease to a 46.7 decrease. The other fifteen categories had increases ranging from 6.2 percent to 73.7 percent. Overall, there was not any consistency or trend expressed by the different categories of municipalities.

Sewer costs were financed either by a surcharge on water bills or as part of the general mill rate. The surcharge on water bills had been justified on the basis that generally the amount of water consumed is in direct proportion to the amount of sewage disposed. In areas where there were no water meters or no water services (i.e., water provided by private wells) the charge for sewer services was made as part of the general tax levy or as a special area rate (where only part of the municipality is serviced). In all the categories of municipalities the level of fees (surcharge on water bills plus frontage and connection charges) ranged from a high of almost 41 percent of spending in townships less than 5,000 population in counties to a low of zero in towns 5,000 to 10,000 population in regions. The

	Sewers	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	1.9	26.7
Cities —In Regions	3.1	22.0
—In Counties	0.5	6.5
—In Districts	0.0	13.5
Towns —In Regions	0.0	9.6
<i>10,000-50,000</i>		
Cities —In Regions	1.2	4.2
—In Counties	0.2	33.2
Towns —In Regions	0.5	16.8
—In Counties	0.7	37.1
—In Districts	0.0	4.1
Townships—In Regions	0.0	6.0
—In Counties	0.0	30.3
<i>5,000-10,000</i>		
Separated Towns	0.0	35.2
Towns —In Regions	0.0	0.0
—In Counties	5.5	28.5
—In Districts	0.4	18.3
Townships and Improvement		
Districts —In Regions	0.0	15.3
—In Counties	0.0	24.2
<i>Less than 5,000</i>		
Towns and		
Villages —In Counties	0.6	25.5
—In Districts	0.0	32.6
Townships and Improvement		
Districts —In Counties	1.5	40.7
—In Districts	0.4	29.1

average for all municipalities providing the service was 24.0 percent. Compared to most municipal services this level of direct charges for service was high.

The other conditional source of finance was provincial assistance which accounted for a very nominal amount of total spending (1.8 percent) on average for the province. Provincial assistance for sewer systems applied mainly to capital construction not operations.

The balance of sewer service financing was from general taxation and other unconditional sources of finance. Though this would have been 74.2 percent of total spending on the service, it could have been lowered substantially by shifting the charges from an assessment basis to one of a surcharge on water bills. However, depending on the particular circumstances of a municipality, either method, i.e., direct charges or taxation, may be preferable.

Water

In 1977, 384 municipalities reported expenditures on water services. The average expenditure per household was \$77, slightly less than that for sewer services. The average

Revenue Fund Spending Analysis

Table 5-3

	No. of Mun.	Average/ Hshld.	Water		1977/75	1977/76
			Low Hshld.	High Hshld.		
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	13	57	20	92	23.9	5.6
Cities —In Regions	37	25	1	50	-136.0	-148.0
—In Counties	7	82	56	114	10.8	7.9
—In Districts	4	58	61	92	1.8	-24.1
Towns —In Regions	1	50	50	50	-26.0	-76.0
Townships—In Regions	2	12	10	13	100.0	140.0
<i>10,000-50,000</i>						
Cities —In Regions	3	47	40	69	-57.4	-83.0
—In Counties	10	92	56	133	58.6	2.2
Towns —In Regions	13	43	9	93	-41.9	-44.2
—In Counties	7	103	49	196	-2.9	4.0
—In Districts	4	131	79	238	59.8	22.4
Townships—In Regions	7	54	2	134	28.6	14.9
<i>5,000-10,000</i>						
Separated Towns	5	136	84	186	37.4	10.6
Towns —In Counties	20	109	43	160	11.2	16.0
—In Districts	4	131	79	238	59.6	22.4
Townships and Improvement						
Districts —In Regions	2	8	Ngl.	13	-50.0	-6.3
—In Counties	20	32	1	90	28.0	10.3
<i>Less than 5,000</i>						
Towns and Villages						
—In Counties	121	110	4	231	20.9	8.9
—In Districts	23	98	29	221	4.3	7.7
Townships and Improvement						
Districts —In Counties	61	22	Ngl.	38	83.3	37.5
—In Districts	37	82	1	575	90.7	-1.2

spending per household for each category (excluding regions) ranged from a low of \$22 in townships less than 5,000 population in counties to \$136 in separated towns.

In considering the urbanized municipalities in the province, on average the regions had the lowest spending per household. For all municipalities in the regions the average spending was \$76 per household compared to \$105 by all municipalities in counties and districts. The calculation of the average spending in regions involved adding the spending made by both tiers due to the split responsibility for the service. As an example, expenditure on water services in cities greater than 50,000 population in regions occurred at both area municipality and regional levels. The expenditure on water was, therefore, \$82 per household, \$57 at the upper tier and \$25 at the lower tier level. This level of expenditure at \$82 was comparable to spending levels of \$82 in cities in counties and \$58 in districts for the same population group.

The main source of revenue for water services was user fees. In those municipalities in the province with spending on water services, 64.2 percent of expenditures were supported by user fees. At the extremes, townships greater than 50,000 population in regions showed a zero level of user fees while townships of 5,000 to 10,000 population showed user fees

	Water	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	0.0	1.3
Cities —In Regions	0.0	92.4
—In Counties	0.0	84.3
—In Districts	0.0	98.3
Towns —In Regions	0.0	83.9
Townships—In Regions	0.0	0.0
<i>10,000-50,000</i>		
Cities —In Regions	0.0	74.0
—In Counties	0.0	89.4
Towns —In Regions	0.0	65.2
—In Counties	0.0	79.1
—In Districts	0.0	63.0
Townships—In Regions	0.0	76.6
<i>5,000-10,000</i>		
Separated Towns	0.0	89.9
Towns —In Counties	0.0	81.7
—In Districts	0.0	63.0
Townships and Improvement		
Districts —In Regions	0.0	104.2
—In Counties	0.0	74.9
<i>Less than 5,000</i>		
Towns and		
Villages —In Counties	0.6	76.0
—In Districts	0.0	62.9
Townships and Improvement		
Districts —In Counties	0.0	63.9
—In Districts	0.0	50.0

totalling 104.2 percent of spending. After removing these two extremes the amount raised varies from 50 to 98 percent of spending.

In terms of other conditional revenue sources, namely provincial grants, only one group reported grants. The category of towns in counties with population less than 5,000 reported provincial grants totalling 0.6 percent of spending. As in sewer services, water services generally receive upfront grants for capital expenditures but not for operations. These grants were, therefore, related to construction of assets on a cash basis.

Solid Waste Collection and Disposal

In 1977, 775 municipalities provided garbage collection and disposal. In the regions, the upper tiers are responsible only for disposal while the local municipalities are responsible for collection. As such, for comparison purposes, the regional expenditures should be added to lower tier expenditures. Similarly, in rural areas, municipalities to a large extent provide disposal sites and individuals transport the garbage themselves. Therefore, the average expenditure was lower. Given these two options of servicing, the average expenditure on garbage collection and disposal was \$35 per household in 1977.

Revenue Fund Spending Analysis

Table 5-5

Garbage Collection and Disposal						
	No. of Mun.	Average/ Hshld.	Low Hshld.	High Hshld.	1977/75	1977/76
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	10	18	2	26	28.5	12.5
Cities —In Regions	18	29	13	42	16.0	7.4
—In Counties	7	35	17	49	9.4	9.4
—In Districts	4	34	18	41	6.3	0.0
Towns —In Regions	2	26	24	27	18.2	30.0
Townships—In Regions	2	23	20	25	35.3	—13.0
<i>10,000-50,000</i>						
Cities —In Regions	6	22	12	41	10.0	4.8
—In Counties	10	34	22	51	26.0	17.2
Towns —In Regions	29	22	5	101	15.8	4.8
—In Counties	7	28	16	37	—3.2	7.7
—In Districts	4	36	21	62	20.0	12.5
Townships—In Regions	12	17	10	30	21.4	6.3
—In Counties	7	24	9	48	26.3	26.3
<i>5,000-10,000</i>						
Separated Towns	5	25	19	37	25.0	13.6
Towns —In Regions	7	21	15	84	23.5	5.0
—In Counties	20	31	19	62	24.0	6.9
Townships and Improvement						
Districts —In Regions	12	12	2	20	20.0	9.1
—In Counties	31	18	3	48	50.0	12.5
—In Districts	8	35	24	43	34.6	6.1
<i>Less than 5,000</i>						
Towns and Villages —In Counties	147	28	4	69	21.7	16.7
—In Districts	30	33	2	67	17.9	10.0
Townships and Improvement						
Districts —In Counties	279	10	2	23	25.0	11.1
—In Districts	110	22	1	127	29.4	22.2

In the twenty-two categories of municipalities providing solid waste services, the range of expenditure was very narrow on average. A low of \$10 per household on average was reported by townships of less than 5,000 population in counties. The highest level of expenditure per household was in cities greater than 50,000 population, in regions at \$47 (\$29, lower tier for collection and \$18, upper tier for disposal).

Comparisons of the average expenditures per household by population category showed a gradual tendency for spending to increase as population size increases. As an overall example, the lowest average spending was in the less than 5,000 population category and the highest was in the greater than 50,000 population category.

In comparisons by upper tier status, the level of spending by municipalities in regions was higher overall than by municipalities in counties and districts. As an example, in the greater than 50,000 population, cities in regions spent \$47 per household, while cities in counties spent \$35 and cities in districts spent \$34. The same type of comparisons held true across all population categories, except townships between 5,000 and 10,000 population where the spending in districts was highest at \$35 per household.

	Garbage Collection and Disposal	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	0.0	33.2
Cities —In Regions	0.0	1.7
—In Counties	0.0	2.9
—In Districts	0.0	0.7
Towns —In Regions	0.0	2.5
Townships—In Regions	0.0	0.7
<i>10,000-50,000</i>		
Cities —In Regions	0.2	0.6
—In Counties	0.1	1.0
Towns —In Regions	0.1	9.9
—In Counties	0.0	9.1
—In Districts	0.0	0.0
Townships—In Regions	0.0	7.1
—In Counties	0.0	4.3
<i>5,000-10,000</i>		
Separated Towns	0.0	0.8
Towns —In Regions	0.0	0.4
—In Counties	0.0	2.1
Townships and Improvement		
Districts —In Regions	1.4	0.0
—In Counties	0.1	1.1
—In Districts	0.5	0.0
<i>Less than 5,000</i>		
Towns and		
Villages —In Counties	6.7	1.6
—In Districts	6.9	0.8
Townships and Improvement		
Districts —In Counties	1.7	1.1
—In Districts	0.6	0.3

The average growth in spending per household was 9.5 percent for the provincial average of those municipalities providing the service in 1977 relative to 1976. Only one group, namely townships greater than 50,000 population in regions, showed a decrease in spending. Eleven of the groups showed increases between 0 and 10 percent. Ten groups showed spending increases in excess of ten percent, the highest being towns in regions in excess of 50,000 population. These variations in growth rates resulted from the level of spending being so low that even small changes in dollar value may have caused large fluctuations in growth rates.

Solid waste was a service to which a service fee can readily be applied since the quantity can easily be measured. This was especially true at the disposal site and was illustrated by the high level of fees collected by regional governments (33.2 percent of total spending). Almost all municipal categories had some form of fee collected on the service. Out of the nineteen categories charging fees, the charges ranged from 0.3 percent of spending to 9.9 percent when excluding the regional government disposal charges. Though solid waste was a quantifiable service most municipalities provided the largest source of financing from general taxation because the process of measurement, excluding disposal sites, would have been fairly costly.

Chapter 6

Health and Social Services

Health and social services include a large number of programs, many of which have relatively minor financial impact. These different programs are provided by various local government organizations, including municipalities, but mainly at the upper tier level. For instance in northern Ontario public health services are provided by District Health Councils because that area does not have an upper tier level of municipal government covering the whole territory. The local municipalities only show spending incurred to the extent of their property tax contribution to the District Health Council. The largest municipality within these jurisdictions are required to report the full operations of the health councils. However, some health councils have not been consolidated. In addition, when comparing the spending by different municipalities, those which show the consolidations appear as spending large amounts when in fact they are reporting the spending on behalf of a number of other municipalities. A similar situation occurs with District Welfare Boards, Homes for the Aged Boards and Children's Aid Societies. To resolve this reporting problem the spending in this analysis is reported by upper tier jurisdiction in the districts.

In regions and counties similar anomalies occur and it is erroneous to make comparisons among municipalities when one reports total spending and another only its tax contribution. In other services it is worthwhile to show what is spent by municipalities regardless of structure because the full amount of spending is reported and the selection by spending criteria eliminates those municipalities which do not provide a service.

It should be noted that for main programs in the health and social services category, all individuals in the Province have access and the only anomaly is the administration and reporting. Therefore, this analysis is provided only on an upper tier basis.

Health

The range of services in the health category included public health, health inspections and control, hospitals, ambulance services and cemeteries. Public health services were provided throughout the province by local governments while the other services were not provided to all.

The area of highest spending in 1977 occurred in the regions at \$42 per household. This reflected on average, the wider range of health services provided in the regional areas. The highest level of spending in any upper tier was the District of Kenora at \$61 per household while the lowest was \$5 per household in the District of Manitoulin. Manitoulin District contributes to the Sudbury District Health Board and therefore this low level of spending indicates only their tax contribution to the Board as well as other health spending.

In 1977 spending on health services per household increased by 3.7 percent for the total province. However, this was a result of decreases in four municipal categories and an increase of 7.7 percent in the regions.

Revenue Fund Spending Analysis

Table 6-1

	Health					
	No. of Mun.	Average/ Hshld.	Low Hshld.	High Hshld.	1977/75	1977/76
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	13	42	19	60	27.3	7.7
Counties	20	33	11	53	0	-6.3
Districts	4	39	31	45	-27.8	-17.0
<i>Less than 50,000</i>						
Counties	6	20	7	20	-9.4	-0.2
Districts	6	39	5	61	0	-1.9
<i>Province</i>	49	38	5	61	15.2	3.7

Some health services were extensively funded by Ontario specific grants. For example, approved costs for ambulance services were funded 100 percent by the Ministry of Health. Boards of Health received funding of between 25 and 75 percent. Venereal disease and related prevention programs also received varying levels of support. In 1977 the Province funded 48.1 percent of total spending for health services by the local sector. The highest level of funding occurred in counties at almost 56 percent for both categories. The regions had the lowest level of support at almost 45 percent. The regions were the only group to show an increase in spending in 1977 and the low level of provincial support is indicative of greater increases in spending compared to increases in grant support.

User fees accounted for only 3.5 percent of the funding of local sector health spending in 1977. The areas with the higher levels of support, namely counties and districts, reflected the type of service provided. The main source of fees for this service are for well and septic site inspections. Health services for which inspections are required occurred in predominantly rural areas, therefore these areas show fees as a proportion of revenues.

Revenue Fund Revenue Analysis

Table 6-2

	Health	
	Revenue Fund	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	44.9	2.4
Counties	55.9	5.6
Districts	50.0	5.9
<i>Less than 50,000</i>		
Counties	55.8	3.0
Districts	51.7	6.8
<i>Province</i>	48.1	3.5

General Assistance

General assistance spending was mainly for transfer payments to individuals for income maintenance and the administration costs involved. The municipal category with the highest level of spending per household was the regions at \$80. The districts with population in excess of 50,000 were second highest at \$68 per household and the county category of less than 50,000 people had the lowest level of spending at \$28 per

Revenue Fund Spending Analysis

Table 6-3

	No. of Mun.	General Assistance				1977/75	1977/76
		Average/ Hshld.	Low Hshld.	High Hshld.			
		\$	\$	\$	%	%	
<i>Greater than 50,000</i>							
Regions	13	80	21	118	6.7	6.7	
Counties	20	47	15	137	-4.1	7.1	
Districts	4	68	53	78	4.4	1.4	
<i>Less than 50,000</i>							
Counties	6	28	9	58	7.6	7.6	
Districts	6	32	13	60	8.8	-5.1	
<i>Province</i>	49	67	4	137	3.0	6.3	

household. There were no clearly observable trends in the levels of spending among municipal categories, but the levels of spending may have reflected the local cost of living. This was also confirmed by the relative lack of substantial variation in growth rates over the period 1975 to 1977. General economic conditions such as increases in food, fuel and housing prices tended to affect spending more or less uniformly.

In terms of specific revenue, transfers from the Province paid from 80 to 100 percent of general assistance, 50 percent of special assistance, 50 percent of certain administration costs and 80 percent of homemakers and nurses services. All municipal categories showed that a high percentage of spending was financed from Ontario conditional grants. Overall provincial grants funded almost 71 percent of the spending on general assistance.

A small percentage of general assistance was financed through user fees. These fees were repayments of previous over-payments of general assistance and some charges for services such as providing food to individuals on a subsidized basis.

Revenue Fund Revenue Analysis

Table 6-4

	General Assistance	
	Revenue Fund	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	71.0	0.8
Counties	71.1	0.6
Districts	71.3	0.0
<i>Less than 50,000</i>		
Counties	74.7	0.0
Districts	68.3	0.3
<i>Province</i>	70.9	0.7

Assistance to the Aged

In 1977, the average spending on assistance to the aged was \$61 per household across the province. This service included homes for the aged, housing, home care, social and recreational facilities specifically operated for the aged, grants to volunteer organizations, grants under The Municipal Elderly Residents Assistance Act and transit sub-

Revenue Fund Spending Analysis

Table 6-5

	No. of Mun.	Average/ Hshld.	Assistance to Aged		1977/75	1977/76
			Low Hshld.	High Hshld.		
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	13	55	28	83	3.6	6.6
Counties	20	61	36	132	19.1	7.6
Districts	4	119	85	157	17.1	9.3
<i>Less than 50,000</i>						
Counties	6	76	44	145	64.6	23.6
Districts	6	73	3	170	-7.0	-2.4
<i>Province</i>	49	61	3	157	17.7	7.0

sities to elderly persons. The predominant expenditure in this category was for the provision of homes for the aged.

The highest average spending for the five categories was \$119 per household in districts with a population greater than 50,000. Spending in districts with less than 50,000 population was the third highest average per household at \$73. The two categories of counties were the second and fourth highest while regions had the lowest spending per household. The low level of spending in regions at \$55 per household reflected the lower percentage of population over 65 years of age in that category relative to others. The lowest level of expenditure, was experienced in the District of Sudbury. However, the spending in Sudbury District does not include homes for the aged. The latter are fully consolidated with the Region of Sudbury.

In 1977, the Province provided 70 percent of the approved net cost for homes for the aged residential care and 70 to 100 percent of eligible extended care service. Special operating grants were available for other social services such as drop-in centres for elderly persons.

The Province provided 45.3 percent of the total operating expenditures for assistance to the aged in 1977. Districts with population in excess of 50,000 which had the highest level of spending also received the highest level of grant support. The regions with the lowest spending per household received the second lowest level of grant support at 43.5 percent of total spending.

Revenue Fund Revenue Analysis

Table 6-6

	Assistance to Aged	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	43.5	33.9
Counties	46.8	41.9
Districts	53.3	26.3
<i>Less than 50,000</i>		
Counties	35.7	34.4
Districts	49.2	33.2
<i>Province</i>	45.3	35.5

User fees were also a major source of revenue in this service and were comprised mainly of contributions from residents of homes for the aged or recipients of extended health care. The average level of spending supported by these fees was 35.5 percent through the province. The county categories had the largest proportion of revenues from user fees, specifically counties with population in excess of 50,000 where fees comprised almost 42.0 percent of total spending. The lowest level of financing from fees occurred in the districts with population in excess of 50,000, the category which had the highest level of funding from the Province.

Taxation and other unconditional revenues contributed relatively little to assistance to the aged services. In 1977, these sources contributed less than 20 percent of total funding.

Assistance to Children and Day Nurseries

Assistance to children included programs carried out by Children's Aid Societies, grants to voluntary organizations, municipally operated day nurseries and contributions to privately operated day nurseries. In 1977, an average of \$45 per household was spent across the province. The highest average level of spending occurred in the regions at \$52 per household while the lowest occurred in counties of less than 50,000 population. Overall, the regions were highest in spending per household, the districts second highest and the counties lowest. The regions had the largest urban component. Moreover, the population make-up in the regions tended to have a larger proportion of children compared to the other areas. A large proportion of mothers working outside the home tended to be characteristic of urban areas.

Revenue Fund Revenue Analysis

Table 6-7

	Assistance to Children and Day Care					
	No. of Mun.	Average/Hshld.	Low Hshld.	High Hshld.	1977/75	1977/76
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	13	52	14	74	10.6	3.2
Counties	20	32	17	48	18.5	4.7
Districts	4	44	21	59	14.3	10.4
<i>Less than 50,000</i>						
Counties	6	11	4	31	-15.4	10.6
Districts	6	48	20	89	28.3	23.0
<i>Province</i>	49	45	4	89	10.4	4.9

In 1977, all categories of municipalities had an increase in spending on assistance to children. For the province, the average spending per household increased by almost 5.0 percent. The area with the lowest increase was regions at 3.2 percent while the highest increase occurred in districts with less than 50,000 population. The area with the second lowest increase was in counties with population of greater than 50,000 at 4.7 percent. These two groups may have been able to restrict growth in spending due to the discretionary component in these services such as day nurseries. The growth in day nursery expenditures in these two groups was higher in previous years as the demand was expanding. For instance, the growth over the 1975 to 1977 period, was much higher than in 1977 on an annualized basis.

	Assistance to Children and Day Care	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	78.7	2.1
Counties	78.2	3.5
Districts	77.5	4.8
<i>Less than 50,000</i>		
Counties	72.9	8.9
Districts	85.3	4.6
<i>Province</i>	78.6	2.6

The largest component of spending on children's services was by Children's Aid Societies. The Societies were funded 80 percent by the Province. In terms of overall funding of children's services, the Province provided almost 79 percent of total spending. The highest level of funding occurred in districts with less than 50,000 population at 85.3 percent. This reflected the 100 percent funding by the Province of children in the Societies which came from the unorganized areas of the province.

User fees were a small component of total spending at 2.6 percent overall for the province in 1977. These fees were generally for day nurseries where some contributions were received for child care.

Chapter 7

Recreational Services

Parks and Recreation

A total of 790 municipalities reported spending on parks and recreation in 1977 at an average cost of \$64 per household. Expenditures on this service included the operating costs of parks, playgrounds, community centres, skating rinks, recreation programs and other similar facilities. Therefore, spending reported in this classification encompassed different facilities provided in different areas, especially where specialized facilities such as municipally owned swimming pools and golf courses were provided.

Revenue Fund Spending Analysis

Table 7-1

			Parks and Recreation					
			No. of Mun.	Average/ Hshld.	Low Hshld.	High Hshld.	1977/75	1977/76
				\$	\$	\$	%	%
Greater than 50,000								
Regions			5	24	Ngl.	36	166.7	118.2
Counties			6	2	Ngl.	5	10.1	26.7
Cities —In Regions			18	95	70	141	17.3	8.0
—In Counties			7	90	55	149	21.6	12.5
—In Districts			4	146	108	179	31.5	15.0
Towns —In Regions			2	168	137	206	48.7	24.4
Townships—In Regions			2	178	146	202	19.5	7.2
10,000-50,000								
Counties			9	1	Ngl.	7	156.6	9.7
Cities —In Regions			6	85	33	120	21.4	9.0
—In Counties			10	102	63	202	25.9	24.4
Towns —In Regions			29	102	28	236	25.9	7.4
—In Counties			7	77	41	124	20.3	6.9
—In Districts			4	114	95	162	25.3	12.9
Townships—In Regions			12	77	41	180	24.2	10.0
—In Counties			7	75	16	137	114.3	50.0
5,000-10,000								
Separated Towns			4	80	70	88	3.9	— 7.0
Towns —In Regions			7	107	26	235	17.6	— 1.8
—In Counties			20	109	33	238	43.4	13.5
—In Districts			8	126	93	161	16.7	— 6.0
Townships and Improvement								
Districts —In Regions			13	64	7	200	42.2	23.1
—In Counties			32	38	2	182	35.7	0.0
Less than 5,000								
Towns and Villages —In Counties			150	116	1	767	46.8	2.7
—In Districts			31	143	16	344	41.6	30.0
Townships and Improvement								
Districts —In Counties			277	25	Ngl.	325	66.6	38.9
—In Districts			115	99	Ngl.	419	37.5	12.5

	Parks and Recreation	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	0.0	31.8
Counties	4.4	6.7
Cities --In Regions	1.5	15.3
--In Counties	0.4	31.5
--In Districts	0.7	17.7
Towns --In Regions	2.8	39.0
Townships--In Regions	1.8	24.3
<i>10,000-50,000</i>		
Counties	26.3	15.8
Cities --In Regions	2.7	18.4
--In Counties	2.3	18.2
Towns --In Regions	1.7	28.2
--In Counties	3.7	29.0
--In Districts	1.4	20.3
Townships--In Regions	3.3	36.6
--In Counties	6.6	24.8
<i>5,000-10,000</i>		
Separated Towns	5.0	29.9
Towns --In Regions	4.3	13.1
--In Counties	5.2	31.0
--In Districts	4.0	21.9
Townships and Improvement		
Districts --In Regions	3.3	34.8
--In Counties	5.6	43.0
<i>Less than 5,000</i>		
Towns and		
Villages --In Counties	8.3	39.7
--In Districts	9.6	16.3
Townships and Improvement		
Districts --In Counties	11.2	32.3
--In Districts	11.5	16.2

The average level of spending ranged from a low of \$1 per household to a high of \$143 per household. Five groups reported negligible expenditures, while towns of less than 5,000 population in counties reported the high of \$767 per household. There were no discernible trends in spending either by population or status in this service. The municipalities with high levels of expenditure per household such as the Village of Clifford at \$767, reflected direct capital spending from the revenue fund. Real operating costs were only about \$200 per household.

In 1977 the average spending per household on parks and recreation increased by 16.4 percent. Three categories; separated towns and towns of population 5,000 to 10,000 in regions and districts, had decreases; eight categories had increases of 0 to 10 percent and the remaining seventeen categories had increases in excess of 10 percent. Wide ranges in growth rates suggested that spending on recreational services was highly discretionary, especially upwards.

The main sources of conditional revenues to finance parks and recreation were user fees and, to a limited extent, conditional grants. The fees for this service included admittance charges and rentals. These fees comprised 22.6 percent of the total spending. A total of nineteen out of the twenty-five categories providing the service raised between 13 percent and 32 percent of total revenues from fees.

Conditional grants supported 2.4 percent of the total spending on parks and recreation in the province. Except for three categories, the level of conditional grants accounted for less than 10 percent of total spending. Therefore, the main sources of funding were user fees and general municipal revenues.

Libraries

In 1977, a total of 533 municipalities had an average expenditure per household of \$23 on library services. Only one municipality had spending in excess of \$100 per household.

Revenue Fund Spending Analysis

Table 7-3

	No. of Mun.	Average/ Hshld.	Libraries		1977/75	1977/76
			Low Hshld.	High Hshld.		
		\$	\$	\$	%	%
<i>Greater than 50,000</i>						
Regions	4	11	3	13	37.5	37.5
Counties	10	10	2	17	16.8	5.2
Cities —In Regions	18	39	20	54	25.8	11.4
—In Counties	7	36	17	43	12.5	5.9
—In Districts	4	33	18	44	22.2	6.5
Towns —In Regions	2	46	41	50	35.3	9.5
Townships—In Regions	2	32	22	40	18.5	0.0
<i>10,000-50,000</i>						
Counties	5	9	5	21	20.2	15.5
Cities —In Regions	6	27	13	37	42.1	12.5
—In Counties	10	35	24	42	34.6	12.9
Towns —In Regions	27	27	7	50	22.7	3.8
—In Counties	6	20	12	27	-9.1	-9.1
—In Districts	4	23	18	40	15.0	0.0
Townships—In Regions	11	11	Ngl.	26	37.5	10.0
—In Counties	7	4	1	6	33.3	33.3
<i>5,000-10,000</i>						
Separated Towns	4	22	15	29	15.8	4.5
Towns —In Regions	6	12	7	22	9.1	-7.7
—In Counties	18	19	1	38	35.7	11.8
—In Districts	8	26	13	40	8.3	4.0
Townships and Improvement						
Districts —In Regions	7	14	10	25	27.2	16.7
—In Counties	18	6	Ngl.	18	50.0	20.0
<i>Less than 5,000</i>						
Towns and Villages						
—In Counties	97	12	Ngl.	43	50.0	9.1
—In Districts	28	22	1	39	37.5	22.2
Townships and Improvement						
Districts —In Counties	149	5	Ngl.	36	66.7	25.0
—In Districts	71	17	Ngl.	127	54.5	30.8

	Libraries	
	Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>		
Regions	17.3	0.9
Counties	39.8	1.7
Cities —In Regions	13.5	1.2
—In Counties	15.3	4.1
—In Districts	19.0	2.1
Towns —In Regions	12.8	3.0
Townships—In Regions	18.8	4.3
<i>10,000-50,000</i>		
Counties	42.1	1.3
Cities —In Regions	19.6	1.2
—In Counties	15.8	14.9
Towns —In Regions	20.8	2.5
—In Counties	24.8	12.6
—In Districts	24.4	2.7
Townships—In Regions	30.2	1.5
—In Counties	56.5	-0.4
<i>5,000-10,000</i>		
Separated Towns	22.4	5.8
Towns —In Regions	37.1	2.3
—In Counties	35.2	3.1
—In Districts	23.5	1.4
Townships and Improvement		
Districts —In Regions	38.4	3.2
—In Counties	73.7	0.4
<i>Less than 5,000</i>		
Towns and Villages —In Counties	45.8	4.7
—In Districts	39.8	2.2
Townships and Improvement		
Districts —In Counties	79.0	1.7
—In Districts	31.9	1.6

In all cities and towns greater than 10,000 population spending per household on average ranged from \$20 to \$46 suggesting the service provided was fairly uniform. Excluding the upper tier municipalities, there was a general trend of spending increases with population size. It appeared the more urbanized a municipality the higher the level of service provided.

The average provincial spending growth per household was 15.0 percent in 1977. In addition to the rate of increase being slightly lower than that for parks and recreation, the variation in growth rates was much lower among the categories. This was a result of the lower number of activities involved in the provision of library services compared to parks and recreation.

Though libraries charged penalties for late return of books and fees for use of equipment such as photocopying, the general operations were open for public use without direct charge. User fees and penalties contributed 2.3 percent toward the support of library services for all municipalities providing the service and ranged from a low of 0.4 percent

to a high of 14.9 percent. There was less variation among the categories than suggested by the range as twenty-two out of the twenty-five groups had between 0 and 5 percent of their spending supported by user fees.

Most municipalities with library boards received a grant of \$1.80 per capita from the Ministry of Culture and Recreation. As a result of this formula, municipalities with low levels of spending per household received high levels of grant when measured as a percentage of spending. The rural municipalities which had the low level of spending had grants as a percentage of spending of 32 to 74 percent. The more urban areas, namely towns and cities greater than 10,000 population, with higher spending levels had grant rates ranging from 12.4 to 24.8 percent. Similarly, counties had very high grants to spending ratios compared to regions because of lower grants per capita paid to regions, (i.e., \$.60 per capita plus \$4.00 per square mile, versus the grant of \$1.80 per capita paid to counties).

Chapter 8

Planning and Development

Planning and development services carried on by municipalities included planning and zoning operations, industrial parks and land assembly, industrial development commissions, residential development including public housing, reforestation, grants to agricultural societies, tile drainage, and projects carried out under The Shoreline Property Assistance Act. In 1977, 760 municipalities spent an average of \$18 per household for these services. All categories of municipalities providing this service had spending per household of less than \$50, except for towns of less than 5,000 population in districts.

Revenue Fund Spending Analysis

Table 8-1

		Planning and Development					
		No. of Mun.	Average/ Hshld.	Low Hshld.	High Hshld.	1977/75	1977/76
						%	%
<i>Greater than 50,000</i>							
Regions	13	11	5	40	22.2	10.0	
Counties	15	5	1	14	33.2	17.4	
Cities —In Regions	18	25	4	55	38.9	38.9	
—In Counties	7	30	16	47	87.5	36.4	
—In Districts	4	44	18	69	83.3	37.5	
Towns —In Regions	2	16	15	18	−5.9	−11.1	
Townships—In Regions	2	34	16	57	41.7	−20.9	
<i>10,000-50,000</i>							
Counties	11	5	2	9	1.3	50.8	
Cities —In Regions	6	24	9	47	−14.3	−4.0	
—In Counties	10	32	16	63	23.1	14.3	
Towns —In Regions	27	24	1	82	60.1	26.3	
—In Counties	7	18	6	34	−18.2	−5.3	
—In Districts	4	36	23	53	−37.9	33.3	
Townships—In Regions	12	21	5	48	31.3	23.5	
—In Counties	7	25	2	115	127.3	19.0	
<i>5,000-10,000</i>							
Separated Towns	5	38	12	76	46.2	2.7	
Towns —In Regions	6	26	2	179	225.0	225.0	
—In Counties	19	29	1	209	20.8	31.8	
—In Districts	8	31	5	104	−34.0	14.8	
Townships and Improvement							
Districts —In Regions	13	49	12	244	113.0	81.5	
—In Counties	32	33	4	87	57.1	13.8	
<i>Less than 5,000</i>							
Towns and Villages							
—In Counties	130	17	Ngl.	112	70.0	6.3	
—In Districts	28	98	Ngl.	1,974	390.0	180.0	
Townships and Improvement							
Districts —In Counties	266	37	Ngl.	296	42.3	12.1	
—In Districts	104	27	7	415	35.0	3.8	

		Planning and Development	
		Conditional Grants as a % of Spending	User Fees as a % of Spending
<i>Greater than 50,000</i>			
Regions		6.0	3.0
Counties		15.6	13.0
Cities	—In Regions	4.7	10.5
	—In Counties	1.3	8.2
	—In Districts	2.0	2.5
Towns	—In Regions	2.2	26.7
Townships	—In Regions	0.5	3.5
<i>10,000-50,000</i>			
Counties		9.5	23.4
Cities	—In Regions	7.3	9.6
	—In Counties	8.8	3.8
Towns	—In Regions	19.8	16.8
	—In Counties	0.8	5.4
	—In Districts	4.1	4.4
Townships	—In Regions	0.8	38.3
	—In Counties	15.1	11.4
<i>5,000-10,000</i>			
Separated Towns		6.2	2.8
Towns	—In Regions	2.1	1.0
	—In Counties	7.8	4.5
	—In Districts	3.0	41.4
Townships and Improvement			
Districts	—In Regions	1.2	38.7
	—In Counties	3.1	46.8
<i>Less than 5,000</i>			
Towns and Villages			
	—In Counties	13.0	9.6
	—In Districts	48.0	0.8
Townships and Improvement			
Districts	—In Counties	5.2	70.2
	—In Districts	33.7	18.4

Though the level of spending on average across the different categories of municipalities was within a narrow range, the growth rates experienced by these municipal groups were quite diverse. Though the average rate of growth for all municipalities providing the service was 20 percent, the individual groups had rates ranging from a decrease of 20.9 percent to an increase of 225 percent. Low levels of spending caused wide fluctuations in growth rates with small dollar changes in spending.

The major conditional source of revenue for planning and development services were user fees. Municipalities received direct payment from individuals for tile drainage and shoreline property assistance collections, committees of adjustment fees and charges for accommodation in municipal housing. In 1977, these fees totalled 15.9 percent of spending on planning and development. The level of these revenues showed no trends for the categories of municipalities analyzed. The category with the highest level of fees as a percent of spending was townships of less than 5,000 population in counties wherein the fees collected were for tile drainage.

The other conditional revenue source, provincial grants, averaged 6.6 percent of total financing and ranged from a low of 0.5 percent to a high of 48.0 percent. The Province provided a number of grants for this service, from official plan assistance to subsidized housing. The range of these programs precluded any overall analysis. The only conclusion found was large urban centres over 50,000 population had the lowest overall level of assistance.

Appendix I

DETAILED MUNICIPAL FINANCIAL DATA BY UPPER TIER

Table 1 :	Demographics
Table 2 :	Municipal—Revenue fund revenues
Table 3 :	Municipal—Revenue fund expenditures
Table 4 :	Municipal—Capital fund financing
Table 5 :	Municipal—Capital fund applications
Table 6 :	School Boards—Revenue fund revenues
Table 7 :	School Boards—Revenue fund expenditures
Table 8 :	School Boards—Capital fund
Table 9 :	Local Government debt

	No. of Municipalities	Population			
		Total	0-19	20-65	66+
<i>Regions</i>			%	%	%
Metropolitan Toronto	7	2,147,852	28.7	61.8	9.5
Durham	9	256,357	36.2	56.8	7.0
Haldimand-Norfolk	7	87,040	34.3	54.4	11.2
Halton	5	230,374	36.3	57.9	5.8
Hamilton-Wentworth	7	411,358	31.7	58.7	9.6
Niagara	13	366,054	33.7	56.6	9.8
Ottawa-Carleton	12	530,421	31.2	61.1	7.8
Peel	4	401,300	37.5	58.4	4.1
Sudbury	8	167,621	38.7	56.1	5.2
Waterloo	8	296,113	34.3	57.9	7.9
York	10	208,701	35.7	57.2	7.0
Muskoka	7	35,305	30.8	55.6	13.6
Oxford	9	84,644	34.4	54.7	10.9
<i>Total</i>	106	5,223,140			
<i>Counties</i>					
Brant	8	97,199	33.5	56.3	10.1
Bruce	32	56,852	35.2	52.7	12.1
Dufferin	10	29,038	36.9	54.1	9.0
Elgin	18	69,143	34.4	54.1	11.4
Essex	24	311,775	34.6	55.4	10.0
Frontenac	17	112,343	32.6	58.5	8.9
Grey	28	72,103	32.9	53.9	13.2
Haliburton	11	10,554	29.0	54.9	16.1
Hastings	30	104,028	34.7	55.4	9.9
Huron	27	56,032	35.1	52.6	12.3
Kent	23	105,825	35.0	54.3	10.7
Lambton	22	119,742	34.8	56.6	8.6
Lanark	18	44,390	31.1	55.6	13.3
Leeds and Grenville	26	79,000	33.0	55.5	11.6
Lennox and Addington	14	33,042	36.4	53.8	9.8
Middlesex	24	313,244	32.3	58.8	9.0
Northumberland	16	63,681	33.2	55.0	11.8
Perth	17	66,027	34.5	53.7	11.8
Peterborough	20	98,497	32.8	56.7	10.5
Prescott and Russell	19	50,310	37.1	54.0	8.9
Prince Edward	11	22,218	32.0	55.1	12.9
Renfrew	38	87,734	35.2	53.8	10.9
Simcoe	36	211,979	34.3	55.5	10.1
Stormont, Dundas and Glengarry	22	99,062	34.9	54.1	11.0
Victoria	18	45,060	32.1	54.6	13.3
Wellington	23	127,548	34.2	56.4	9.4
<i>Total</i>	552	2,486,426			
<i>Districts</i>					
Algoma	24	114,557	37.9	55.6	6.5
Cochrane	14	87,609	38.6	54.0	7.4
Kenora	13	36,564	36.5	55.8	7.7
Manitoulin	12	7,048	33.9	50.5	15.7
Nipissing	16	74,065	37.8	54.3	7.9
Parry Sound	27	26,322	32.7	54.0	13.3
Rainy River	15	21,235	36.9	53.1	10.0
Sudbury	11	19,070	40.9	52.4	6.7
Thunder Bay	19	139,276	33.9	57.4	8.7
Timiskaming	26	39,057	36.4	53.0	10.6
<i>Total</i>	177	564,803			
PROVINCIAL TOTAL	835	8,274,369	32.8	58.2	9.0

Demographics

Table 1
(Cont.)

	Households			Square Miles	
	Total	% Permanent	Pop. Perm. Hshld.	Total	Pop. Sq. Mile
<i>Regions</i>					
Metropolitan Toronto	779,452	100.0	2.8	243.3	8,829
Durham	88,006	97.5	3.0	959.9	267
Haldimand-Norfolk	34,728	86.6	2.9	1,110.9	78
Halton	73,976	99.9	3.1	370.1	622
Hamilton-Wentworth	151,206	99.9	2.7	429.7	957
Niagara	130,800	97.4	2.9	714.6	512
Ottawa-Carleton	195,191	99.1	2.7	1,064.5	498
Peel	128,090	100.0	3.1	473.2	848
Sudbury	54,239	96.4	3.2	1,007.5	166
Waterloo	102,918	99.9	2.9	524.4	565
York	68,615	95.3	3.2	672.2	310
Muskoka	32,046	40.7	2.7	1,542.4	23
Oxford	28,702	99.6	3.0	782.2	108
<i>Total</i>	1,867,969				
<i>Counties</i>					
Brant	35,034	100.0	2.8	353.9	275
Bruce	28,329	72.2	2.8	1,521.5	37
Dufferin	10,481	93.8	3.0	575.1	50
Elgin	24,627	96.2	2.9	725.8	95
Essex	110,289	99.7	2.8	718.9	434
Frontenac	44,616	85.6	2.9	1,474.8	76
Grey	31,662	87.4	2.6	1,739.2	41
Haliburton	15,892	26.2	2.5	1,609.6	7
Hastings	41,847	87.7	2.8	2,266.2	46
Huron	22,142	86.7	2.9	1,313.8	43
Kent	37,873	97.0	2.9	958.0	110
Lambton	43,847	94.7	2.9	1,093.0	110
Lanark	19,327	80.0	2.9	1,182.9	38
Leeds and Grenville	33,199	83.2	2.9	1,308.9	60
Lennox and Addington	13,541	83.4	2.9	1,096.8	30
Middlesex	113,833	100.0	2.8	1,269.6	247
Northumberland	25,938	86.6	2.8	808.2	79
Perth	22,791	99.9	2.9	845.6	78
Peterborough	47,025	75.1	2.8	1,522.2	65
Prescott and Russell	16,283	95.6	3.2	773.3	65
Prince Edward	9,485	84.1	2.8	404.7	55
Renfrew	33,007	84.4	3.1	2,949.3	30
Simcoe	91,942	84.1	2.7	1,845.2	115
Stormont, Dundas and Glengarry	34,481	97.3	3.0	1,271.6	78
Victoria	24,991	69.2	2.6	1,184.1	38
Wellington	44,718	97.7	2.9	1,026.7	124
<i>Total</i>	977,200				
<i>Districts</i>					
Algoma	39,711	93.6	3.1	1,346.4	85
Cochrane	29,667	95.6	3.1	2,890.6	30
Kenora	13,541	92.0	2.9	642.8	57
Manitoulin	3,941	70.0	2.6	635.7	11
Nipissing	25,884	92.6	3.1	1,040.9	71
Parry Sound	17,000	57.1	2.7	1,365.9	19
Rainy River	7,633	96.9	2.9	911.3	23
Sudbury	6,638	90.2	3.2	629.1	30
Thunder Bay	48,126	97.5	3.0	1,411.8	99
Timiskaming	14,313	97.4	2.8	1,117.2	35
<i>Total</i>	206,454				
PROVINCIAL TOTAL	3,051,623	95.0	2.9		

Demographics

Table 1
(Concluded)

	Assessment		
	Total Taxable	Equalized	Residential
			Total
	\$000	\$000	%
<i>Regions</i>			
Metropolitan Toronto	6,879,518	27,965,522	55.1
Durham	1,047,875	2,473,173	71.6
Haldimand-Norfolk	199,771	907,484	78.1
Halton	648,429	2,423,766	73.1
Hamilton-Wentworth	1,042,980	3,906,183	61.1
Niagara	776,478	3,290,344	63.7
Ottawa-Carleton	1,370,168	4,579,632	70.4
Peel	4,704,707	4,896,441	69.8
Sudbury	858,171	1,398,184	59.4
Waterloo	902,575	2,766,236	64.6
York	1,973,029	2,674,181	75.8
Muskoka	806,574	590,461	84.3
Oxford	164,625	799,389	65.6
<i>Total</i>	21,374,900	58,670,996	
<i>Counties</i>			
Brant	246,655	835,000	63.6
Bruce	542,837	404,826	88.8
Dufferin	90,876	314,302	88.9
Elgin	131,040	605,749	68.6
Essex	1,237,123	3,121,626	61.6
Frontenac	191,565	856,986	68.9
Grey	747,418	598,288	81.1
Haliburton	12,609	158,193	90.7
Hastings	235,865	700,726	64.1
Huron	84,376	398,167	83.5
Kent	252,789	885,320	68.1
Lambton	388,077	1,236,672	64.8
Lanark	60,325	258,396	72.0
Leeds and Grenville	121,213	562,799	64.8
Lennox and Addington	55,805	227,027	70.9
Middlesex	754,136	2,629,113	68.0
Northumberland	87,357	541,599	70.2
Perth	133,312	512,357	72.0
Peterborough	244,789	949,542	74.8
Prescott and Russell	65,041	240,912	71.7
Prince Edward	90,455	147,562	76.3
Renfrew	101,343	462,079	70.9
Simcoe	966,494	1,985,174	71.6
Stormont, Dundas and Glengarry	164,355	613,418	63.5
Victoria	77,047	399,708	82.9
Wellington	604,191	1,167,087	68.3
<i>Total</i>	7,687,093	20,812,628	
<i>Districts</i>			
Algoma	548,009	800,769	60.7
Cochrane	392,444	569,826	43.1
Kenora	135,039	272,111	42.9
Manitoulin	93,886	50,521	84.7
Nipissing	181,852	486,798	59.4
Parry Sound	423,846	236,515	83.9
Rainy River	42,500	120,053	45.0
Sudbury	33,351	104,586	54.5
Thunder Bay	340,845	1,022,061	44.3
Timiskaming	72,233	171,052	63.2
<i>Total</i>	2,264,005	3,834,292	
PROVINCIAL TOTAL	31,325,998	83,317,916	66.4

Revenue Fund—Revenues

Table 2

Taxation (Municipal)					
	Res. and Farms	Comm., Ind. and Business	Special Charges	Sewer Surcharge on Direct Water Billings	Total
	\$000	\$000	\$000	\$000	\$000
<i>Regions</i>					
Metropolitan Toronto	274,584	288,498	12,132	7,093	582,307
Durham	29,290	15,301	1,619	4,455	50,665
Haldimand-Norfolk	8,288	2,720	752	1,198	12,958
Halton	27,861	12,647	1,755	225	42,488
Hamilton-Wentworth	50,547	40,019	3,393	9,932	103,891
Niagara	38,992	27,077	2,633	982	69,684
Ottawa-Carleton	66,561	39,442	7,279	4,607	117,889
Peel	39,822	21,165	3,001	8,962	72,950
Sudbury	15,140	13,965	2,045	0	31,150
Waterloo	30,836	20,726	1,973	4,152	57,687
York	21,895	8,972	2,812	991	34,670
Muskoka	4,836	1,174	251	121	6,382
Oxford	6,843	4,964	616	449	12,872
<i>Total</i>	615,495	496,670	40,261	43,167	1,195,593
<i>Counties</i>					
Brant	9,146	6,214	915	71	16,346
Bruce	5,721	1,064	826	139	7,750
Dufferin	2,372	631	396	39	3,438
Elgin	5,325	3,031	815	178	9,349
Essex	34,754	25,551	3,316	700	64,321
Frontenac	8,803	4,705	1,268	14	14,790
Grey	6,338	3,012	568	383	10,301
Haliburton	1,607	194	104	0	1,905
Hastings	7,205	4,714	985	1,227	14,131
Huron	5,057	1,616	401	485	7,559
Kent	9,948	5,834	1,665	987	18,434
Lambton	12,919	8,790	1,919	466	24,094
Lanark	2,881	1,386	250	61	4,578
Leeds and Grenville	4,767	3,704	482	304	9,257
Lennox and Addington	1,681	821	252	188	2,942
Middlesex	31,006	17,883	2,449	50	51,388
Northumberland	4,225	2,317	366	457	7,365
Perth	5,676	3,188	566	603	10,033
Peterborough	9,546	5,246	802	154	15,748
Prescott and Russell	3,542	1,648	582	87	5,859
Prince Edward	1,342	418	120	31	1,911
Renfrew	4,782	2,791	857	455	8,885
Simcoe	18,048	9,062	2,149	1,416	30,675
Stormont, Dundas and Glengarry	6,872	5,320	711	601	13,504
Victoria	3,942	1,114	316	73	5,445
Wellington	11,325	5,289	717	1,203	18,534
<i>Total</i>	218,830	125,543	23,797	10,372	378,542
<i>Districts</i>					
Algoma	8,947	7,934	1,258	523	18,662
Cochrane	4,559	5,422	791	194	10,966
Kenora	2,396	3,319	353	289	6,357
Manitoulin	514	116	85	14	729
Nipissing	5,233	3,850	632	817	10,532
Parry Sound	2,121	592	159	167	3,039
Rainy River	1,177	1,739	189	113	3,218
Sudbury	948	964	91	68	2,071
Thunder Bay	11,618	14,434	774	182	27,008
Timiskaming	2,520	1,785	540	108	4,953
<i>Total</i>	40,033	40,155	4,872	2,475	87,535
PROVINCIAL TOTAL	874,358	662,368	68,930	56,014	1,661,670

Revenue Fund—Revenues

Table 2
(Cont.)

	Provincial Assistance			Other Revenue	
	Ontario	Conditional Grants	Ontario P-I-L Total	Canada P-I-L	Mun. P-I-L
	Unconditional Grants				
	\$000	\$000	\$000	\$000	\$000
<i>Regions</i>					
Metropolitan Toronto	93,486	193,923	32,596	8,932	10,582
Durham	13,768	21,319	1,149	260	313
Haldimand-Norfolk	3,959	6,966	382	99	90
Halton	10,256	13,125	758	361	170
Hamilton-Wentworth	22,702	37,675	2,738	838	1,214
Niagara	19,893	29,469	2,354	1,483	265
Ottawa-Carleton	27,032	51,946	4,411	34,417	1,613
Peel	14,354	22,199	2,090	3,059	182
Sudbury	19,286	16,130	967	173	116
Waterloo	15,224	18,739	1,832	229	502
York	8,481	13,581	341	79	184
Muskoka	1,326	6,875	103	35	11
Oxford	4,068	5,755	173	55	81
<i>Total</i>	253,835	437,702	49,894	50,020	15,323
<i>Counties</i>					
Brant	4,689	8,300	268	145	234
Bruce	3,009	7,497	389	30	13
Dufferin	852	3,425	143	8	5
Elgin	2,841	6,433	286	58	32
Essex	10,418	20,932	1,935	636	989
Frontenac	5,086	10,116	995	1,103	287
Grey	3,077	10,483	239	125	54
Haliburton	495	2,332	111	3	4
Hastings	5,577	11,458	497	284	138
Huron	2,876	7,475	182	35	25
Kent	5,596	6,916	290	102	147
Lambton	3,794	10,693	576	158	86
Lanark	2,276	5,170	169	65	51
Leeds and Grenville	3,259	7,822	243	278	18
Lennox and Addington	1,003	3,789	173	203	5
Middlesex	14,454	25,113	2,513	1,673	255
Northumberland	2,373	5,594	121	202	34
Perth	3,293	5,566	207	73	60
Peterborough	3,738	7,729	480	223	101
Prescott and Russell	2,450	7,167	86	24	24
Prince Edward	859	1,954	49	16	5
Renfrew	3,904	9,102	348	1,034	68
Simcoe	7,401	12,482	696	328	124
Stormont, Dundas and Glengarry	5,596	9,840	520	325	115
Victoria	1,813	4,482	214	47	0
Wellington	4,373	12,742	835	113	119
<i>Total</i>	105,102	224,612	12,565	7,291	2,992
<i>Districts</i>					
Algoma	12,561	11,515	456	458	188
Cochrane	9,283	8,759	575	135	25
Kenora	3,480	5,024	247	191	17
Manitoulin	584	778	21	9	0
Nipissing	7,409	6,232	515	459	67
Parry Sound	1,903	3,508	50	14	4
Rainy River	2,427	2,286	112	22	13
Sudbury	1,400	1,155	44	9	0
Thunder Bay	16,581	14,558	1,227	399	569
Timiskaming	5,000	6,338	491	46	3
<i>Total</i>	60,628	60,153	3,738	1,742	886
PROVINCIAL TOTAL	419,565	722,467	66,197	59,053	19,201

Revenue Fund—Revenues

Table 2
(Concluded)

	Other Revenue (Cont.)				
	Fees and Service Charges				Total Revenue
	Transit	Water	Homes for Aged	Misc. Revenues	
	\$000	\$000	\$000	\$000	\$000
<i>Regions</i>					
Metropolitan Toronto	152,893	63,229	18,158	126,515	1,282,621
Durham	1,308	4,965	2,678	15,432	111,857
Haldimand-Norfolk	0	1,174	1,441	3,670	30,739
Halton	1,176	3,982	1,324	9,112	82,752
Hamilton-Wentworth	0	10,462	24	27,353	206,897
Niagara	2,580	8,835	3,125	12,833	150,521
Ottawa-Carleton	20,862	10,458	2,119	32,832	303,579
Peel	3,904	9,898	2,019	18,937	149,592
Sudbury	1,576	2,181	893	8,345	80,817
Waterloo	2,873	5,588	1,211	15,049	118,934
York	452	3,779	780	11,592	73,939
Muskoka	0	475	368	1,433	17,008
Oxford	120	1,457	950	3,338	28,869
<i>Total</i>	187,744	126,483	35,090	286,441	2,638,125
<i>Counties</i>					
Brant	638	2,190	1,388	5,331	39,529
Bruce	0	708	910	2,901	23,207
Dufferin	0	87	606	1,361	9,925
Elgin	145	1,277	1,418	2,703	24,542
Essex	3,175	8,175	1,953	15,427	127,961
Frontenac	937	2,028	1,091	4,849	41,282
Grey	0	1,118	850	3,076	29,323
Haliburton	0	19	227	519	5,615
Hastings	397	2,348	1,089	3,693	39,612
Huron	0	948	1,115	3,264	23,479
Kent	200	2,764	1,127	3,957	39,533
Lambton	518	3,208	1,529	7,419	52,075
Lanark	0	970	788	1,725	15,792
Leeds and Grenville	0	1,226	927	2,789	25,819
Lennox and Addington	0	332	563	1,610	10,620
Middlesex	136	6,572	2,256	14,700	119,060
Northumberland	29	1,223	596	2,217	19,754
Perth	0	893	516	3,095	23,736
Peterborough	0	1,918	970	4,042	34,949
Prescott and Russell	0	563	292	2,068	18,533
Prince Edward	0	289	279	532	5,893
Renfrew	7	1,408	1,494	2,786	29,036
Simcoe	351	3,017	1,523	8,451	65,048
Stormont, Dundas and Glengarry	572	1,912	668	4,778	37,830
Victoria	40	468	568	1,887	14,964
Wellington	1,265	1,752	587	4,298	44,618
<i>Total</i>	8,410	47,413	25,330	109,478	921,735
<i>Districts</i>					
Algoma	909	1,984	966	5,405	53,104
Cochrane	477	1,753	976	4,029	36,978
Kenora	17	917	675	2,978	19,903
Manitoulin	0	74	0	333	2,528
Nipissing	476	781	1,133	3,050	30,654
Parry Sound	1	105	332	1,108	10,064
Rainy River	15	406	517	1,460	10,476
Sudbury	0	223	0	795	5,697
Thunder Bay	1,647	2,879	1,709	6,318	72,895
Timiskaming	0	730	252	1,839	19,652
<i>Total</i>	3,542	9,852	6,560	27,315	261,951
PROVINCIAL TOTAL	199,696	183,748	66,980	423,234	3,821,811

Revenue Fund—Expenditures

Table 3

	General Government	Protection to Persons and Property		
		Fire	Police	Other
	\$000	\$000	\$000	\$000
<i>Regions</i>				
Metropolitan Toronto	111,911	73,356	154,217	24,160
Durham	11,048	7,077	10,070	3,441
Haldimand-Norfolk	3,011	1,098	2,340	1,134
Halton	7,242	4,148	9,325	3,850
Hamilton-Wentworth	17,788	13,870	24,129	4,614
Niagara	13,083	8,300	16,096	2,411
Ottawa-Carleton	36,936	19,906	24,267	5,173
Peel	13,228	9,677	17,427	7,082
Sudbury	10,544	3,488	6,734	1,079
Waterloo	11,036	9,608	12,699	4,212
York	7,103	2,823	8,281	2,704
Muskoka	1,787	500	31	181
Oxford	2,697	1,505	2,136	603
<i>Total</i>	247,414	155,356	287,752	60,644
<i>Counties</i>				
Brant	3,636	2,889	3,826	1,306
Bruce	2,652	470	844	708
Dufferin	1,078	249	592	319
Elgin	2,338	1,194	1,419	693
Essex	13,425	8,082	13,915	2,206
Frontenac	3,997	2,620	2,936	1,021
Grey	2,753	1,234	1,244	1,147
Haliburton	756	150	0	81
Hastings	3,167	2,166	2,858	2,117
Huron	2,295	435	803	688
Kent	4,589	2,085	2,849	1,258
Lambton	4,865	2,719	3,432	1,500
Lanark	1,779	392	796	356
Leeds and Grenville	2,227	1,215	1,532	423
Lennox and Addington	1,240	313	224	439
Middlesex	10,300	7,586	11,270	2,518
Northumberland	2,375	576	1,019	704
Perth	2,380	1,469	1,773	598
Peterborough	4,139	2,426	2,738	1,028
Prescott and Russell	2,284	480	370	208
Prince Edward	664	214	224	208
Renfrew	3,174	1,329	1,417	145
Simcoe	7,889	3,135	4,430	1,585
Stormont, Dundas and Glengarry	3,264	1,525	2,219	762
Victoria	1,587	460	594	220
Wellington	3,990	2,896	3,381	1,692
<i>Total</i>	92,843	48,309	66,705	23,930
<i>Districts</i>				
Algoma	5,546	2,922	4,330	1,799
Cochrane	3,906	2,039	2,286	947
Kenora	2,069	974	1,002	123
Manitoulin	397	182	0	27
Nipissing	3,141	2,122	3,284	308
Parry Sound	1,237	286	214	90
Rainy River	1,163	393	896	27
Sudbury	990	239	254	53
Thunder Bay	5,032	4,853	5,538	1,148
Timiskaming	1,581	825	746	65
<i>Total</i>	25,062	14,835	18,550	4,587
PROVINCIAL TOTAL	365,319	218,500	373,007	89,161

Revenue Fund—Expenditures

Table 3
(Cont.)

	Transportation Services		
	Roads	Transit	Other
	\$000	\$000	\$000
<i>Regions</i>			
Metropolitan Toronto	105,542	237,869	11,781
Durham	17,912	2,783	2,466
Haldimand-Norfolk	8,727	0	353
Halton	15,418	3,058	1,010
Hamilton-Wentworth	32,614	8,856	4,486
Niagara	29,583	4,448	2,477
Ottawa-Carleton	51,530	37,743	3,689
Peel	23,214	8,389	1,680
Sudbury	14,092	3,342	1,794
Waterloo	15,820	6,740	3,976
York	15,331	1,307	1,023
Muskoka	7,705	0	130
Oxford	7,645	281	539
<i>Total</i>	345,133	314,816	35,404
<i>Counties</i>			
Brant	5,826	1,345	478
Bruce	8,894	0	291
Dufferin	3,329	0	122
Elgin	7,031	317	419
Essex	17,585	5,385	2,692
Frontenac	7,202	1,812	988
Grey	10,457	289	462
Haliburton	2,594	0	47
Hastings	9,906	648	773
Huron	7,930	0	470
Kent	8,760	542	744
Lambton	10,521	1,218	890
Lanark	4,844	0	171
Leeds and Grenville	8,783	0	398
Lennox and Addington	3,322	0	409
Middlesex	19,569	7,818	1,733
Northumberland	5,738	45	329
Perth	7,348	377	390
Peterborough	7,466	860	917
Prescott and Russell	6,913	0	168
Prince Edward	1,906	0	61
Renfrew	6,717	20	736
Simcoe	14,941	903	1,614
Stormont, Dundas and Glengarry	9,666	1,063	628
Victoria	5,249	98	262
Wellington	10,837	1,700	899
<i>Total</i>	213,334	24,440	17,091
<i>Districts</i>			
Algoma	8,806	2,217	1,014
Cochrane	7,317	1,009	858
Kenora	3,131	35	681
Manitoulin	752	0	68
Nipissing	5,324	1,010	535
Parry Sound	3,160	4	130
Rainy River	2,087	84	313
Sudbury	1,503	0	79
Thunder Bay	10,273	3,782	1,927
Timiskaming	6,301	113	372
<i>Total</i>	48,654	8,254	5,977
PROVINCIAL TOTAL	607,121	347,510	58,470

Revenue Fund—Expenditures

Table 3
(Cont.)

	Environment Services				
	Sewers	Water	Solid Waste	Other	Health Services
	\$000	\$000	\$000	\$000	\$000
<i>Regions</i>					
Metropolitan Toronto	63,451	61,996	45,217	Ngl.	38,852
Durham	7,566	6,356	2,482	887	2,269
Haldimand-Norfolk	1,830	1,529	796	Ngl.	1,330
Halton	6,749	4,850	2,054	Ngl.	3,205
Hamilton-Wentworth	14,088	11,816	7,049	704	6,156
Niagara	12,423	10,617	4,363	Ngl.	4,222
Ottawa-Carleton	18,709	13,479	4,229	Ngl.	8,233
Peel	12,697	11,822	4,051	Ngl.	3,172
Sudbury	7,533	4,701	1,910	Ngl.	3,230
Waterloo	7,461	6,550	3,355	Ngl.	4,008
York	7,062	4,093	2,155	Ngl.	2,765
Muskoka	823	644	542	Ngl.	594
Oxford	1,394	1,803	976	Ngl.	978
<i>Total</i>	161,786	140,256	79,179	1,591	79,014
<i>Counties</i>					
Brant	2,336	2,722	652	Ngl.	1,123
Bruce	763	1,222	598	Ngl.	593
Dufferin	408	307	166	18	119
Elgin	1,169	1,573	557	Ngl.	603
Essex	12,241	9,857	4,269	Ngl.	2,718
Frontenac	2,038	2,345	1,550	6	1,121
Grey	1,374	1,284	724	Ngl.	1,208
Haliburton	110	44	99	Ngl.	216
Hastings	2,771	2,783	748	32	1,148
Huron	1,132	1,207	372	Ngl.	1,178
Kent	2,779	3,321	979	Ngl.	1,613
Lambton	3,658	3,991	1,119	Ngl.	1,009
Lanark	691	970	377	Ngl.	218
Leeds and Grenville	1,403	1,415	632	Ngl.	1,169
Lennox and Addington	332	466	310	13	364
Middlesex	11,283	8,583	3,625	Ngl.	3,691
Northumberland	1,173	1,827	608	Ngl.	758
Perth	1,267	1,010	562	Ngl.	817
Peterborough	2,106	2,377	719	Ngl.	1,063
Prescott and Russell	508	815	282	Ngl.	186
Prince Edward	265	340	196	Ngl.	193
Renfrew	1,384	1,600	736	15	1,347
Simcoe	4,852	3,678	1,735	132	2,582
Stormont, Dundas and Glengarry	2,693	1,906	884	Ngl.	1,661
Victoria	488	681	438	Ngl.	787
Wellington	2,298	1,870	895	Ngl.	1,467
<i>Total</i>	61,522	58,194	23,832	216	28,952
<i>Districts</i>					
Algoma	3,871	2,746	1,152	Ngl.	1,747
Cochrane	1,932	2,715	1,130	Ngl.	1,464
Kenora	1,465	1,286	624	Ngl.	1,257
Manitoulin	90	99	41	Ngl.	25
Nipissing	2,305	1,559	500	Ngl.	996
Parry Sound	569	137	217	Ngl.	538
Rainy River	606	482	203	13	332
Sudbury	324	399	151	Ngl.	198
Thunder Bay	4,561	3,089	1,838	12	1,947
Timiskaming	1,399	1,116	384	4	702
<i>Total</i>	17,122	13,628	6,240	29	9,206
PROVINCIAL TOTAL	240,430	212,078	109,251	1,836	117,172

Revenue Fund—Expenditures

Table 3
(Cont.)

	Social and Family Services			Recreation and Cultural Services
	General Assistance	Assistance to Aged	Assistance to Children	Parks and Rec.
	\$000	\$000	\$000	\$000
<i>Regions</i>				
Metropolitan Toronto	74,820	50,046	51,430	96,601
Durham	7,489	7,347	2,914	11,362
Haldimand-Norfolk	737	3,210	824	1,862
Halton	1,969	3,733	2,099	9,718
Hamilton-Wentworth	17,847	5,579	6,589	11,979
Niagara	9,180	9,847	4,156	10,090
Ottawa-Carleton	16,716	8,284	14,365	25,152
Peel	4,171	5,555	5,252	15,080
Sudbury	4,942	2,169	2,547	7,539
Waterloo	6,912	2,911	3,536	9,023
York	1,717	2,025	2,607	8,124
Muskoka	669	1,132	459	1,110
Oxford	1,358	1,660	762	2,597
<i>Total</i>	148,527	103,498	97,540	210,237
<i>Counties</i>				
Brant	1,976	3,262	1,549	4,383
Bruce	432	2,074	647	2,065
Dufferin	302	1,524	289	789
Elgin	719	2,911	558	1,233
Essex	7,066	5,240	5,244	8,076
Frontenac	2,663	3,493	1,233	4,282
Grey	1,189	1,649	787	2,493
Haliburton	143	703	61	371
Hastings	2,489	2,379	1,116	2,602
Huron	398	2,441	666	1,741
Kent	906	2,577	1,132	2,225
Lambton	1,401	4,571	1,025	3,979
Lanark	1,112	1,839	593	1,128
Leeds and Grenville	753	2,026	599	1,887
Lennox and Addington	422	1,134	258	952
Middlesex	6,492	6,452	4,243	6,543
Northumberland	1,278	1,108	509	1,291
Perth	706	1,007	830	1,593
Peterborough	2,555	1,882	782	2,560
Prescott and Russell	2,233	1,012	764	1,536
Prince Edward	168	646	210	340
Renfrew	1,216	4,370	820	2,673
Simcoe	2,478	2,742	1,603	5,650
Stormont, Dundas and Glengarry	1,988	1,723	1,306	3,501
Victoria	443	1,309	254	1,149
Wellington	3,512	1,630	1,221	4,228
<i>Total</i>	45,041	61,704	28,299	69,270
<i>Districts</i>				
Algoma	3,176	4,193	1,535	4,954
Cochrane	1,700	3,278	1,915	3,500
Kenora	513	1,949	1,855	1,557
Manitoulin	95	102	107	275
Nipissing	1,498	2,701	677	3,048
Parry Sound	443	1,083	404	944
Rainy River	213	1,475	318	1,012
Sudbury	120	30	269	910
Thunder Bay	3,950	8,038	2,807	8,463
Timiskaming	923	709	786	1,505
<i>Total</i>	12,631	23,558	10,673	26,168
PROVINCIAL TOTAL	206,199	188,760	136,512	305,675

Revenue Fund—Expenditures

Table 3
(Concluded)

	Recreation and Cultural Services (Cont.)		Planning	Total Expenditure	In Year Surplus (Deficit)
	Libraries	Other			
	\$000	\$000	\$000	\$000	\$000
<i>Regions</i>					
Metropolitan Toronto	42,101	19,155	23,132	1,285,637	(3,016)
Durham	2,456	396	4,350	110,671	1,186
Haldimand-Norfolk	438	61	1,289	30,569	170
Halton	2,765	415	1,708	83,316	(564)
Hamilton-Wentworth	5,835	5,076	6,843	205,918	979
Niagara	4,062	611	3,892	149,861	660
Ottawa-Carleton	6,300	572	12,124	307,407	(3,828)
Peel	5,539	138	3,894	152,068	(2,476)
Sudbury	1,485	36	2,919	80,084	733
Waterloo	2,912	3,917	3,097	117,773	1,161
York	2,326	185	1,924	73,555	384
Muskoka	233	88	469	17,097	(89)
Oxford	686	67	1,270	28,957	(88)
<i>Total</i>	77,138	30,717	66,911	2,642,913	(4,788)
<i>Counties</i>					
Brant	826	18	1,560	39,713	(184)
Bruce	306	76	687	23,322	(115)
Dufferin	122	7	290	10,030	(105)
Elgin	733	54	976	24,497	45
Essex	3,663	1,002	3,873	126,539	1,422
Frontenac	834	312	1,242	41,695	(413)
Grey	534	152	635	29,615	(292)
Haliburton	97	8	125	5,605	10
Hastings	666	192	1,098	39,659	(47)
Huron	386	113	1,377	23,632	(153)
Kent	943	82	1,751	39,135	398
Lambton	1,307	252	3,179	50,636	1,439
Lanark	240	66	570	16,142	(350)
Leeds and Grenville	439	154	589	25,644	175
Lennox and Addington	177	109	448	10,932	(312)
Middlesex	4,292	884	3,394	120,276	(1,216)
Northumberland	207	31	509	20,085	(331)
Perth	414	115	1,381	24,037	(301)
Peterborough	522	285	884	35,309	(360)
Prescott and Russell	283	0	528	18,570	(37)
Prince Edward	98	136	194	6,063	(170)
Renfrew	425	37	940	29,101	(65)
Simcoe	1,285	337	2,457	64,028	1,020
Stormont, Dundas and Glengarry	959	38	1,553	37,339	491
Victoria	325	5	560	14,909	55
Wellington	893	645	1,111	45,165	(547)
<i>Total</i>	20,976	5,110	31,911	921,678	57
<i>Districts</i>					
Algoma	1,039	268	1,448	52,763	341
Cochrane	521	150	595	37,262	(284)
Kenora	453	50	705	19,729	174
Manitoulin	27	105	114	2,506	22
Nipissing	486	138	459	30,091	563
Parry Sound	140	26	209	9,831	233
Rainy River	248	46	127	10,038	438
Sudbury	129	11	74	5,733	(36)
Thunder Bay	1,871	342	2,902	72,373	522
Timiskaming	235	124	1,572	19,462	190
<i>Total</i>	5,149	1,260	8,205	259,788	2,163
PROVINCIAL TOTAL	103,263	37,087	107,027	3,824,379	(2,568)

	Own Funds		Own Purpose Borrowing
	Revenue Fund	Reserves and Reserve Funds	
	\$000	\$000	\$000
<i>Regions</i>			
Metropolitan Toronto	41,307	20,606	194,042
Durham	6,033	5,681	21,562
Haldimand-Norfolk	2,837	724	3,094
Halton	5,469	6,832	16,378
Hamilton-Wentworth	13,068	6,453	11,299
Niagara	8,319	5,243	15,407
Ottawa-Carleton	5,507	19,078	50,817
Peel	5,488	18,449	205
Sudbury	4,115	2,289	15,657
Waterloo	5,273	10,369	10,466
York	5,022	3,549	3,493
Muskoka	2,706	152	2,306
Oxford	3,547	216	3,303
<i>Total</i>	108,691	99,641	348,029
<i>Counties</i>			
Brant	2,730	932	3,633
Bruce	1,991	656	1,783
Dufferin	660	216	389
Elgin	1,065	153	1,416
Essex	4,238	1,754	18,675
Frontenac	2,028	863	4,504
Grey	4,069	439	222
Haliburton	449	2	68
Hastings	2,487	74	3,203
Huron	2,313	48	2,426
Kent	4,007	47	7,286
Lambton	4,652	1,635	8,535
Lanark	1,271	662	514
Leeds and Grenville	1,157	336	904
Lennox and Addington	983	211	1,696
Middlesex	6,187	3,303	11,198
Northumberland	1,327	379	1,088
Perth	4,103	47	1,218
Peterborough	1,970	621	4,707
Prescott and Russell	3,136	90	1,188
Prince Edward	559	Ngl.	689
Renfrew	2,346	487	1,944
Simcoe	6,527	1,587	4,773
Stormont, Dundas and Glengarry	1,987	480	5,277
Victoria	1,069	2,619	458
Wellington	2,713	1,204	3,969
<i>Total</i>	66,024	18,845	91,763
<i>Districts</i>			
Algoma	4,364	233	4,360
Cochrane	1,913	1,164	2,565
Kenora	1,409	613	1,009
Manitoulin	390	42	2
Nipissing	920	2,349	5,747
Parry Sound	760	52	1,174
Rainy River	728	67	288
Sudbury	257	89	379
Thunder Bay	5,691	2,635	4,832
Timiskaming	1,694	1,124	868
<i>Total</i>	18,126	8,368	21,224
PROVINCIAL TOTAL	192,841	126,854	461,016

	Ontario Assistance	Other Sources	Total
	\$000	\$000	\$000
<i>Regions</i>			
Metropolitan Toronto	115,189	49,075	420,217
Durham	8,255	7,985	49,517
Haldimand-Norfolk	3,150	546	10,350
Halton	10,661	2,480	41,821
Hamilton-Wentworth	3,701	2,997	37,518
Niagara	8,009	4,159	41,137
Ottawa-Carleton	21,985	8,164	105,552
Peel	9,737	5,403	39,281
Sudbury	7,469	614	30,143
Waterloo	5,683	2,141	33,932
York	7,400	8,157	27,620
Muskoka	482	664	6,311
Oxford	4,081	726	11,874
<i>Total</i>	205,802	93,111	855,273
<i>Counties</i>			
Brant	3,330	2,305	12,930
Bruce	3,065	1,355	8,849
Dufferin	1,150	443	2,858
Elgin	1,927	881	5,443
Essex	9,076	3,911	37,654
Frontenac	2,201	273	9,868
Grey	1,618	539	6,887
Haliburton	1,061	139	1,718
Hastings	3,662	651	10,077
Huron	1,743	1,157	7,687
Kent	2,747	1,751	15,837
Lambton	3,100	2,726	20,649
Lanark	1,902	364	4,712
Leeds and Grenville	3,430	1,081	6,908
Lennox and Addington	624	134	3,648
Middlesex	6,318	2,934	29,940
Northumberland	2,823	2,260	7,877
Perth	1,448	921	7,737
Peterborough	3,557	1,669	12,524
Prescott and Russell	3,191	302	7,907
Prince Edward	288	226	1,762
Renfrew	4,688	1,319	10,785
Simcoe	5,590	2,860	21,338
Stormont, Dundas and Glengarry	6,265	1,751	15,760
Victoria	3,404	1,291	8,841
Wellington	5,781	1,138	14,805
<i>Total</i>	83,989	34,381	295,001
<i>Districts</i>			
Algoma	2,859	6,774	18,589
Cochrane	8,321	1,440	15,403
Kenora	1,370	544	4,945
Manitoulin	365	216	1,016
Nipissing	1,032	501	10,549
Parry Sound	1,361	451	3,798
Rainy River	744	122	1,950
Sudbury	1,378	141	2,244
Thunder Bay	7,669	6,323	27,151
Timiskaming	1,818	98	5,602
<i>Total</i>	26,917	16,610	91,247
PROVINCIAL TOTAL	316,708	144,102	1,241,521

Capital Fund—Applications

Table 5

	General Gov't.	Protection	Transportation Services		
			Roads	Transit	Other
	\$000	\$000	\$000	\$000	\$000
<i>Regions</i>					
Metropolitan Toronto	11,074	9,551	50,929	104,847	2,451
Durham	529	868	12,377	203	853
Haldimand-Norfolk	946	572	4,539	0	70
Halton	715	2,073	11,559	1,610	376
Hamilton-Wentworth	651	4,428	11,434	Ngl.	875
Niagara	588	1,198	13,899	283	214
Ottawa-Carleton	382	4,167	26,410	7,390	880
Peel	862	3,305	22,776	4,407	659
Sudbury	1,534	672	7,970	980	70
Waterloo	782	336	10,792	862	544
York	916	1,006	12,294	292	17
Muskoka	32	141	2,331	0	12
Oxford	28	190	4,092	19	134
<i>Total</i>	19,039	28,507	191,402	120,893	7,155
<i>Counties</i>					
Brant	104	187	4,044	256	10
Bruce	208	147	2,251	0	132
Dufferin	20	115	1,453	0	60
Elgin	37	243	1,620	Ngl.	178
Essex	418	1,394	9,592	103	273
Frontenac	312	240	2,579	65	171
Grey	54	131	3,442	197	61
Haliburton	72	50	1,207	0	3
Hastings	121	157	4,190	6	79
Huron	53	131	2,066	0	50
Kent	920	745	5,247	Ngl.	191
Lambton	392	284	4,159	1,575	155
Lanark	9	278	2,244	0	66
Leeds and Grenville	166	260	3,091	0	3
Lennox and Addington	170	75	836	0	13
Middlesex	117	966	11,378	811	234
Northumberland	53	111	4,152	Ngl.	73
Perth	68	244	3,383	184	34
Peterborough	109	284	4,131	199	69
Prescott and Russell	85	181	3,555	0	4
Prince Edward	13	15	607	0	Ngl.
Renfrew	468	142	4,486	24	672
Simcoe	2,223	263	7,703	134	763
Stormont, Dundas and Glengarry	6,194	176	4,082	315	178
Victoria	81	97	2,875	10	19
Wellington	72	63	5,849	333	79
<i>Total</i>	12,539	6,979	100,222	4,212	3,570
<i>Districts</i>					
Algoma	468	666	3,544	276	288
Cochrane	174	463	3,617	815	637
Kenora	102	393	1,183	70	76
Manitoulin	13	183	257	0	42
Nipissing	4,536	412	787	711	10
Parry Sound	83	127	609	0	8
Rainy River	64	93	1,013	9	50
Sudbury	464	15	567	0	3
Thunder Bay	247	557	5,244	121	442
Timiskaming	35	129	1,241	Ngl.	164
<i>Total</i>	6,186	3,038	18,062	2,002	1,720
PROVINCIAL TOTAL	37,764	38,524	309,686	127,107	12,445

Capital Fund—Applications

Table 5
(Cont.)

	Environmental Services				
	Sewers	Water	Solid Waste	Other	Health
	\$000	\$000	\$000	\$000	\$000
<i>Regions</i>					
Metropolitan Toronto	47,359	36,229	7,101	Ngl.	1,195
Durham	7,969	17,623	398	Ngl.	14
Haldimand-Norfolk	840	1,397	10	Ngl.	27
Halton	13,962	3,368	102	Ngl.	1,422
Hamilton-Wentworth	12,456	6,272	405	Ngl.	17
Niagara	4,755	5,108	141	4,138	122
Ottawa-Carleton	17,840	5,433	148	Ngl.	3,018
Peel	2,784	2,417	418	1	14
Sudbury	1,560	3,210	100	Ngl.	211
Waterloo	4,932	3,661	404	15	105
York	9,624	1,917	939	Ngl.	10
Muskoka	1,042	830	2	Ngl.	1,085
Oxford	2,329	767	265	Ngl.	107
<i>Total</i>	127,452	88,232	10,433	4,154	7,347
<i>Counties</i>					
Brant	1,550	540	3	523	9
Bruce	757	875	69	Ngl.	5
Dufferin	1	130	2	Ngl.	4
Elgin	830	281	8	Ngl.	Ngl.
Essex	6,201	2,385	45	348	10
Frontenac	914	422	121	20	Ngl.
Grey	417	177	255	365	26
Haliburton	Ngl.	Ngl.	Ngl.	Ngl.	4
Hastings	854	494	27	Ngl.	10
Huron	550	684	Ngl.	Ngl.	64
Kent	3,520	1,023	71	Ngl.	7
Lambton	2,790	1,005	105	10	Ngl.
Lanark	687	63	Ngl.	Ngl.	Ngl.
Leeds and Grenville	1,603	238	8	56	16
Lennox and Addington	465	103	46	0	2
Middlesex	2,050	1,880	887	645	32
Northumberland	603	863	Ngl.	Ngl.	Ngl.
Perth	65	325	Ngl.	Ngl.	17
Peterborough	3,760	936	2	Ngl.	139
Prescott and Russell	389	256	10	Ngl.	5
Prince Edward	58	2	27	Ngl.	Ngl.
Renfrew	110	60	11	37	1
Simcoe	1,636	3,081	21	400	578
Stormont, Dundas and Glengarry	707	538	28	Ngl.	5
Victoria	677	92	56	26	108
Wellington	1,391	371	1	111	80
<i>Total</i>	32,285	16,824	1,803	2,541	1,122
<i>Districts</i>					
Algoma	906	782	58	Ngl.	12
Cochrane	2,042	1,969	8	2,295	80
Kenora	333	219	5	Ngl.	75
Manitoulin	Ngl.	27	Ngl.	Ngl.	Ngl.
Nipissing	1,963	479	5	Ngl.	988
Parry Sound	102	Ngl.	5	5	20
Rainy River	84	45	4	1	19
Sudbury	38	26	Ngl.	Ngl.	32
Thunder Bay	9,757	4,529	202	Ngl.	21
Timiskaming	483	500	1	Ngl.	164
<i>Total</i>	15,708	8,576	288	2,301	1,411
PROVINCIAL TOTAL	175,445	113,632	12,524	8,996	9,880

Capital Fund—Applications

Table 5
(Cont.)

	Social and Family Services	Recreation	Planning	Total
	\$000	\$000	\$000	\$000
<i>Regions</i>				
Metropolitan Toronto	25,571	32,563	12,528	341,397
Durham	183	5,314	3,209	49,540
Haldimand-Norfolk	5	632	528	9,566
Halton	23	6,010	57	41,279
Hamilton-Wentworth	74	3,077	2,361	42,050
Niagara	590	3,427	1,221	35,684
Ottawa-Carleton	83	10,541	14,962	91,255
Peel	242	7,256	41	45,183
Sudbury	133	3,174	1,337	20,952
Waterloo	39	3,435	2,004	27,912
York	425	3,364	641	31,444
Muskoka	9	910	107	6,499
Oxford	59	1,250	1,888	11,125
<i>Total</i>	27,436	80,953	40,884	753,887
<i>Counties</i>				
Brant	3	468	516	8,214
Bruce	1	3,309	206	7,960
Dufferin	11	964	165	2,924
Elgin	558	709	618	5,083
Essex	46	2,090	3,824	26,730
Frontenac	77	3,304	296	8,521
Grey	9	2,586	80	7,800
Haliburton	21	460	21	1,837
Hastings	31	1,520	1,247	8,737
Huron	42	1,828	1,939	7,406
Kent	14	1,119	1,383	14,242
Lambton	81	2,547	5,193	18,295
Lanark	836	173	328	4,685
Leeds and Grenville	53	1,241	677	7,414
Lennox and Addington	8	437	892	3,047
Middlesex	38	2,714	3,396	25,147
Northumberland	7	900	21	6,784
Perth	31	1,324	1,532	7,207
Peterborough	8	2,246	164	12,047
Prescott and Russell	1,562	1,059	418	7,525
Prince Edward	55	83	0	860
Renfrew	6	4,398	310	10,724
Simcoe	11	4,237	1,630	22,658
Stormont, Dundas and Glengarry	17	1,107	4,422	17,470
Victoria	118	4,231	268	8,658
Wellington	7	6,163	1,335	15,871
<i>Total</i>	3,651	51,217	30,881	267,846
<i>Districts</i>				
Algoma	933	1,080	3,612	12,626
Cochrane	19	1,512	919	14,552
Kenora	(24)	730	116	3,278
Manitoulin	0	369	2	892
Nipissing	9	1,275	462	11,635
Parry Sound	52	1,327	43	2,380
Rainy River	42	481	5	1,909
Sudbury	553	1,418	0	3,113
Thunder Bay	363	3,813	3,627	28,921
Timiskaming	0	2,353	106	5,183
<i>Total</i>	1,947	14,358	8,892	84,489
PROVINCIAL TOTAL	33,034	146,528	80,657	1,106,222

Capital Fund

Table 5
(Concluded)

	In Year Balance	Accumulated Balance
	\$000	\$000
<i>Regions</i>		
Metropolitan Toronto	78,820	10,533
Durham	(23)	(12,190)
Haldimand-Norfolk	784	(408)
Halton	542	(8,716)
Hamilton-Wentworth	(4,532)	23,180
Niagara	5,453	(4,379)
Ottawa-Carleton	14,297	8,654
Peel	(5,902)	(1,171)
Sudbury	9,191	(4,272)
Waterloo	6,020	32
York	(3,824)	(6,906)
Muskoka	(188)	(1,725)
Oxford	748	(5,590)
<i>Total</i>	101,386	(2,958)
<i>Counties</i>		
Brant	4,716	2,275
Bruce	889	(2,231)
Dufferin	(66)	(163)
Elgin	360	(1,568)
Essex	10,924	2,768
Frontenac	1,347	(6,076)
Grey	(913)	(1,918)
Haliburton	(119)	(90)
Hastings	1,340	(3,372)
Huron	281	(1,566)
Kent	1,595	(5,541)
Lambton	2,354	(4,320)
Lanark	27	(875)
Leeds and Grenville	(506)	(1,200)
Lennox and Addington	601	(332)
Middlesex	4,793	3,551
Northumberland	1,093	(1,472)
Perth	530	(821)
Peterborough	477	(1,871)
Prescott and Russell	382	(2,121)
Prince Edward	902	(34)
Renfrew	61	(3,029)
Simcoe	(1,320)	(5,880)
Stormont, Dundas and Glengarry	(1,710)	(11,634)
Victoria	183	(1,436)
Wellington	(1,066)	(4,472)
<i>Total</i>	27,155	(53,428)
<i>Districts</i>		
Algoma	5,963	(4,074)
Cochrane	851	510
Kenora	1,667	(296)
Manitoulin	124	5
Nipissing	(1,086)	(7,613)
Parry Sound	1,418	(54)
Rainy River	41	(323)
Sudbury	(869)	(1,425)
Thunder Bay	(1,770)	(6,834)
Timiskaming	419	(503)
<i>Total</i>	6,758	(20,607)
PROVINCIAL TOTAL	135,299	(76,993)

	Revenue Fund Revenue			
	Taxation	Ontario Grants	Other	Total
	\$000	\$000	\$000	\$000
<i>Regions</i>				
Metropolitan Toronto	585,916	303,852	16,725	906,493
Durham	35,893	58,609	2,519	97,021
Haldimand-Norfolk	13,615	19,337	1,123	34,075
Halton	36,804	53,498	2,450	92,752
Hamilton-Wentworth	67,646	81,920	6,033	155,599
Niagara	56,015	89,596	2,722	148,333
Ottawa-Carleton	111,954	137,127	14,528	263,609
Peel	83,115	86,885	3,202	173,202
Sudbury	22,666	65,206	2,033	89,905
Waterloo	47,326	57,554	7,068	111,948
York	40,535	45,049	1,024	86,608
Muskoka	8,612	5,999	511	15,122
Oxford	11,814	18,176	783	30,773
<i>Total</i>	1,121,911	1,022,808	60,721	2,205,440
<i>Counties</i>				
Brant	13,146	20,120	1,197	34,463
Bruce	6,151	16,122	1,164	23,437
Dufferin	4,168	7,464	473	12,105
Elgin	8,420	15,406	293	24,119
Essex	57,079	74,752	1,595	133,426
Frontenac	14,947	26,004	2,094	43,045
Grey	9,590	19,163	650	29,403
Haliburton	2,117	2,064	99	4,280
Hastings	13,218	31,072	2,307	46,597
Huron	6,095	15,378	1,154	22,627
Kent	14,519	25,244	2,149	41,912
Lambton	18,299	26,997	1,195	46,491
Lanark	5,009	12,572	876	18,457
Leeds and Grenville	9,331	22,397	710	32,438
Lennox and Addington	3,872	10,190	1,311	15,373
Middlesex	46,049	70,540	4,391	120,980
Northumberland	7,988	16,156	387	24,531
Perth	7,519	15,188	1,382	24,089
Peterborough	14,409	22,517	1,199	38,125
Prescott and Russell	4,239	20,866	362	25,467
Prince Edward	2,011	6,117	155	8,283
Renfrew	9,722	31,072	2,454	43,248
Simcoe	32,402	47,455	1,388	81,245
Stormont, Dundas and Glengarry	11,747	33,346	1,481	46,574
Victoria	5,625	9,774	325	15,724
Wellington	17,505	26,980	830	45,315
<i>Total</i>	345,177	624,956	31,621	1,001,754
<i>Districts</i>				
Algoma	16,099	47,970	2,428	66,497
Cochrane	9,550	34,045	746	44,341
Kenora	4,632	13,752	1,304	19,688
Manitoulin	589	2,108	540	3,237
Nipissing	4,479	37,915	664	43,058
Parry Sound	7,440	3,890	357	11,687
Rainy River	2,120	7,834	930	10,884
Sudbury	1,861	7,169	774	9,804
Thunder Bay	18,290	43,531	2,891	64,712
Timiskaming	3,406	15,136	281	18,823
Unorganized	8,174	21,294	1,883	31,351
<i>Total</i>	76,640	234,644	12,798	324,082
PROVINCIAL TOTAL	1,543,728	1,882,408	105,140	3,531,276

	Revenue Fund—Expenditures			
	Salaries and Wages	Debt Charges	Other	Total
	\$000	\$000	\$000	\$000
<i>Regions</i>				
Metropolitan Toronto	707,281	50,195	149,016	906,493
Durham	75,588	5,466	15,966	97,021
Haldimand-Norfolk	25,411	2,015	6,648	34,074
Halton	69,593	6,766	19,392	95,751
Hamilton-Wentworth	119,571	10,270	25,759	155,600
Niagara	116,266	8,443	23,625	148,334
Ottawa-Carleton	192,131	20,861	50,617	263,609
Peel	131,329	15,275	26,598	173,201
Sudbury	65,311	5,247	19,348	89,905
Waterloo	86,582	6,973	18,392	111,947
York	65,554	6,667	14,387	86,608
Muskoka	10,592	652	3,879	15,122
Oxford	23,038	1,603	6,132	30,772
<i>Total</i>	1,688,247	140,433	379,759	2,208,439
<i>Counties</i>				
Brant	26,686	1,675	6,103	34,463
Bruce	15,388	1,936	6,113	23,437
Dufferin	8,493	907	2,704	12,105
Elgin	17,710	1,632	4,777	24,119
Essex	106,554	7,632	19,242	133,427
Frontenac	31,510	2,452	9,083	43,045
Grey	21,743	1,510	6,150	29,403
Haliburton	2,711	258	1,311	4,280
Hastings	33,045	2,259	11,294	46,598
Huron	16,779	1,165	4,682	22,627
Kent	32,204	1,587	8,122	41,913
Lambton	34,840	2,226	9,425	46,491
Lanark	9,854	1,002	7,600	18,456
Leeds and Grenville	23,149	1,485	7,804	32,438
Lennox and Addington	10,813	1,323	3,236	15,373
Middlesex	93,545	5,907	21,528	120,980
Northumberland	18,136	1,517	4,879	24,533
Perth	17,385	1,578	5,126	24,088
Peterborough	28,876	1,872	7,443	38,192
Prescott and Russell	16,942	1,929	6,596	25,468
Prince Edward	5,545	492	2,246	8,283
Renfrew	30,929	2,117	10,202	43,248
Simcoe	62,433	4,387	14,425	81,245
Stormont, Dundas and Glengarry	32,623	3,216	10,861	46,700
Victoria	10,888	810	4,026	15,724
Wellington	34,429	2,626	8,260	45,315
<i>Total</i>	743,210	55,500	203,238	1,001,948
<i>Districts</i>				
Algoma	44,504	3,744	18,251	66,498
Cochrane	32,868	2,679	8,796	44,342
Kenora	14,508	988	4,192	19,687
Manitoulin	2,265	106	866	3,237
Nipissing	31,527	3,151	7,382	42,060
Parry Sound	7,990	412	3,286	11,688
Rainy River	7,959	561	2,364	10,884
Sudbury	6,916	533	2,356	9,804
Thunder Bay	49,967	3,559	11,186	64,712
Timiskaming	13,449	1,142	4,232	18,823
Unorganized	22,702	1,652	6,997	31,351
<i>Total</i>	234,655	18,527	69,908	323,090
PROVINCIAL TOTAL	2,666,112	214,460	652,905	3,533,477

	Capital Fund			Capital Expenditure	In Year
	Borrowing	Other Revenue	Total		
	\$000	\$000	\$000	\$000	\$000
<i>Regions</i>					
Metropolitan Toronto	12,577	24,639	37,216	39,856	(2,640)
Durham	580	1,853	2,433	2,103	330
Haldimand-Norfolk	5	379	384	511	(127)
Halton	3,641	1,728	5,369	4,298	1,071
Hamilton-Wentworth	,860	1,947	2,807	3,525	(718)
Niagara	154	1,483	1,637	1,828	(191)
Ottawa-Carleton	5,509	5,962	11,471	12,972	(1,501)
Peel	15,013	2,203	17,216	18,547	(1,331)
Sudbury	1,332	854	2,186	905	1,281
Waterloo	2,252	2,413	4,665	4,707	(42)
York	2,496	481	2,977	17,596	(14,619)
Muskoka	Ngl.	606	606	604	2
Oxford	72	113	185	681	(496)
<i>Total</i>	44,491	44,661	89,152	108,133	(18,981)
<i>Counties</i>					
Brant	1,221	532	1,753	1,754	(1)
Bruce	369	241	610	249	361
Dufferin	329	120	449	192	257
Elgin	Ngl.	305	305	404	(99)
Essex	Ngl.	996	996	1,113	(117)
Frontenac	2,097	116	2,213	1,873	340
Grey	739	152	891	180	711
Haliburton	Ngl.	54	54	54	Ngl.
Hastings	253	815	1,068	835	233
Huron	1	380	381	380	1
Kent	Ngl.	324	324	382	(58)
Lambton	866	839	1,705	2,360	(655)
Lanark	36	316	352	714	(362)
Leeds and Grenville	61	648	709	950	(241)
Lennox and Addington	254	72	326	247	79
Middlesex	430	2,933	3,363	3,804	(441)
Northumberland	1,059	140	1,199	627	572
Perth	Ngl.	99	99	674	(575)
Peterborough	151	442	593	607	(14)
Prescott and Russell	404	323	727	606	121
Prince Edward	1	42	43	42	1
Renfrew	Ngl.	1,233	1,233	1,313	(80)
Simcoe	353	1,057	1,410	3,953	(2,543)
Stormont, Dundas and Glengarry	720	919	1,639	1,049	590
Victoria	700	200	900	887	13
Wellington	506	340	846	715	131
<i>Total</i>	10,550	13,638	24,188	25,964	(1,776)
<i>Districts</i>					
Algoma	610	850	1,460	1,500	(40)
Cochrane	751	434	1,185	1,279	(94)
Kenora	Ngl.	192	192	169	23
Manitoulin	319	4	323	337	(14)
Nipissing	687	217	904	557	347
Parry Sound	Ngl.	118	118	158	(40)
Rainy River	60	96	156	184	(28)
Sudbury	29	89	118	90	28
Thunder Bay	808	553	1,361	1,428	(67)
Timiskaming	Ngl.	84	84	275	(191)
Unorganized	274	639	913	1,050	(137)
<i>Total</i>	3,538	3,276	6,814	7,027	(213)
PROVINCIAL TOTAL	58,579	61,575	120,154	141,124	(20,970)

Local Government Debt

Table 9

	All Local Government Long Term Debt Outstanding			Total
	Own Municipal	School Boards	Total	Equalized Assessment
	\$000	\$000	\$000	%
<i>Regions</i>				
Metropolitan Toronto	1,045,733	315,648	1,361,381	4.9
Durham	82,477	33,316	115,793	4.7
Haldimand-Norfolk	14,980	12,488	27,468	3.0
Halton	73,759	47,224	120,983	5.0
Hamilton-Wentworth	164,653	68,887	233,540	6.0
Niagara	113,193	54,850	168,043	5.1
Ottawa-Carleton	298,519	148,851	447,370	9.8
Peel	97,364	127,480	224,844	4.6
Sudbury	74,212	32,728	106,940	7.6
Waterloo	49,253	41,361	90,614	3.3
York	41,028	48,322	89,350	3.3
Muskoka	5,003	2,868	7,871	1.3
Oxford	15,542	10,111	25,653	3.2
<i>Total</i>	2,075,716	944,134	3,019,850	9.8
<i>Counties</i>				
Brant	15,564	10,887	26,451	3.2
Bruce	9,589	7,988	17,577	4.3
Dufferin	3,534	7,040	10,574	3.4
Elgin	12,833	9,759	22,592	3.7
Essex	114,356	51,613	165,969	5.3
Frontenac	21,718	17,851	39,569	4.6
Grey	9,808	10,826	20,634	3.4
Haliburton	756	1,700	2,456	1.6
Hastings	20,320	15,908	36,228	5.2
Huron	11,118	6,659	17,777	4.5
Kent	27,152	9,905	37,057	4.2
Lambton	36,655	14,545	51,200	4.1
Lanark	3,954	6,815	10,769	4.2
Leeds and Grenville	11,367	7,807	19,174	3.4
Lennox and Addington	6,169	8,086	14,255	6.3
Middlesex	76,989	35,683	112,672	4.3
Northumberland	8,306	9,861	18,167	3.4
Perth	13,209	10,993	24,202	4.7
Peterborough	21,464	11,995	33,459	3.5
Prescott and Russell	8,693	14,471	23,164	9.6
Prince Edward	1,865	3,274	5,139	3.5
Renfrew	10,772	13,906	24,678	5.3
Simcoe	29,195	30,212	59,407	3.0
Stormont, Dundas and Glengarry	22,511	23,435	45,946	7.5
Victoria	3,092	6,696	9,788	2.5
Wellington	24,114	18,472	42,586	3.6
<i>Total</i>	525,103	366,387	891,490	4.3
<i>Districts</i>				
Algoma	30,541	23,104	53,645	6.7
Cochrane	16,565	19,475	36,040	6.3
Kenora	4,601	6,441	11,042	4.1
Manitoulin	575	1,205	1,780	3.5
Nipissing	18,976	22,440	41,416	8.5
Parry Sound	2,666	2,808	5,474	2.3
Rainy River	3,211	3,548	6,759	5.6
Sudbury	2,154	3,640	5,794	5.5
Thunder Bay	30,412	23,226	53,638	5.2
Timiskaming	4,206	8,169	12,375	7.2
Unorganized	—	11,601	11,601	—
<i>Total</i>	113,907	125,657	239,564	6.2
PROVINCIAL TOTAL	2,714,726	1,436,178	4,150,904	5.0

Local Government Debt

Table 9
(Concluded)

	All Local Government Debt Charges			Total		
	Own Municipal	School Boards	Total	Revenue Fund Expenditure		
	\$000	\$000	\$000	% Municipal	% School Boards	% Total
<i>Regions</i>						
Metropolitan Toronto	148,758	50,195	198,953	11.6	5.5	9.1
Durham	9,151	5,466	14,617	8.3	5.6	7.0
Haldimand-Norfolk	1,943	2,015	3,958	6.4	5.9	6.1
Halton	7,783	6,766	14,549	9.3	7.1	8.1
Hamilton-Wentworth	23,374	10,270	33,644	11.4	6.6	9.3
Niagara	14,759	8,443	23,202	9.8	5.7	7.8
Ottawa-Carleton	39,266	20,861	60,127	12.8	7.9	10.5
Peel	14,385	15,275	29,660	9.4	8.8	9.1
Sudbury	10,130	5,247	15,377	12.7	5.8	9.0
Waterloo	9,658	6,973	16,631	8.2	6.2	7.2
York	5,628	6,667	12,295	7.6	7.7	7.7
Muskoka	629	652	1,281	3.7	4.3	4.0
Oxford	2,399	1,603	4,002	8.3	5.2	6.7
<i>Total</i>	287,863	140,433	428,296	10.9	6.4	8.8
<i>Counties</i>						
Brant	2,510	1,675	4,185	6.3	4.9	5.6
Bruce	1,275	1,936	3,211	5.5	8.3	6.9
Dufferin	691	907	1,598	6.9	7.5	7.2
Elgin	2,417	1,632	4,049	9.9	6.8	8.3
Essex	15,130	7,632	22,762	11.9	5.7	8.7
Frontenac	3,129	2,452	5,581	7.5	5.7	6.6
Grey	1,838	1,510	3,348	6.2	5.1	5.7
Haliburton	122	258	380	2.2	6.0	3.8
Hastings	3,277	2,259	5,536	8.3	4.8	6.4
Huron	1,639	1,165	2,804	6.9	5.1	6.1
Kent	4,182	1,587	5,769	10.7	3.8	7.1
Lambton	6,149	2,226	8,375	12.1	4.8	8.6
Lanark	712	1,002	1,714	4.4	5.4	4.9
Leeds and Grenville	1,894	1,485	3,379	7.4	4.6	5.8
Lennox and Addington	765	1,323	2,088	7.0	8.6	7.9
Middlesex	12,530	5,907	18,437	10.4	4.9	7.6
Northumberland	1,069	1,517	2,586	5.3	6.2	5.8
Perth	2,234	1,578	3,812	9.3	6.6	7.9
Peterborough	3,455	1,872	5,327	9.8	4.9	7.2
Prescott and Russell	1,191	1,929	3,120	6.4	7.6	7.1
Prince Edward	217	492	709	3.6	5.9	4.9
Renfrew	1,550	2,117	3,667	5.3	4.9	5.1
Simcoe	4,341	4,387	8,728	6.8	5.4	6.0
Stormont, Dundas and Glengarry	3,168	3,216	6,384	8.5	6.9	7.6
Victoria	537	810	1,347	3.6	5.2	4.4
Wellington	3,340	2,626	5,966	7.4	5.8	6.6
<i>Total</i>	79,362	55,500	134,862	8.6	5.5	7.0
<i>Districts</i>						
Algoma	5,358	3,744	9,102	10.2	5.6	7.6
Cochrane	2,646	2,679	5,325	7.1	6.0	6.5
Kenora	800	989	1,789	4.1	5.0	4.5
Manitoulin	84	106	190	3.3	3.3	3.3
Nipissing	2,507	3,151	5,658	8.3	7.3	7.7
Parry Sound	324	412	736	3.3	3.5	3.4
Rainy River	520	561	1,081	5.2	5.2	5.2
Sudbury	203	533	736	3.5	5.4	4.7
Thunder Bay	4,456	3,559	8,015	6.2	5.5	5.8
Timiskaming	429	1,142	1,571	2.2	6.1	4.1
Unorganized	—	1,652	1,652	—	5.3	—
<i>Total</i>	17,327	18,528	35,855	6.7	5.7	6.2
PROVINCIAL TOTAL	384,552	214,461	599,013	10.0	6.1	8.1

Appendix II
FOOTNOTES

Part I

Chapter 1

1. *Federal-Provincial Anti-Inflation Program*

An agreement signed between the Province and the Government of Canada, January 13, 1976, extended the application of federal anti-inflation legislation and guidelines to the provincial public sector. Specifically, it allowed the Anti-Inflation Board (A.I.B.) to review collective agreements and compensation arrangements for employees of the Province, municipalities and other local government boards or agencies in an effort to contain wage and salary increases.

2. *Gross Provincial Product and Consumer Price Index*

The comparison of total local government spending increases to these two economic indicators is done mainly to show the performance of the local public sector to the total provincial economy. These comparisons are not exact, since the local government sector provides only a select number of goods or services which are not comparable to the total of the provincial economy. Using any general inflation index also does not provide more than rough comparisons simply because the package of goods in any index does not necessarily apply to the goods used by one particular sector of the economy. For instance the food component of the Consumer Price Index is not applicable to local governments. However, these measures do provide a general comparison of how some of the variables in the total economy affect local government finances.

3. *Household Measures*

Many amounts in this publication are compared on a dollar per household basis. This method is used to make comparisons among municipalities more meaningful. In a year to year comparison, if the absolute dollar amount were used, amounts may appear to be excessively large when, in fact, they are not, when discounted by the amount of household growth. Households are used as the base rather than population since most municipal services are provided to households.

4. *Other Revenue*

Revenue fund other revenues were broken down as follows in 1977:

Canada grants	15,893,777
Trailer revenue and licenses	2,134,392
Licenses and permits	30,269,645
Rents, concessions, and franchises	39,462,392
Fines	14,813,620
Penalties and interest on taxes	24,084,334
Investment income	43,499,534
Developer contributions	5,321,520
Sales of publications, equipment, etc.	8,394,832
Contributions from capital fund	} 36,503,634
Contributions for other funds	
Other	28,680,727
Subtotal	249,058,407
<i>Other Payments in Lieu of Taxes</i>	
Canada	59,037,819
Municipal	19,358,809
Subtotal	78,396,628
<i>Capital Fund Other Revenues</i>	
Reserve and Reserve Funds	126,853,513
Canada grants	52,382,673
Prepaid special charges	13,015,968
Sale of fixed assets	23,439,855
Investment income	7,242,508
Other	48,155,201
Subtotal	271,089,718
Total	598,544,753

Note: Only a small portion of developer contributions appear on the municipality's revenue or expenditure schedules while the balance are placed directly in reserve funds until they are actually spent. These funds appear on the schedule of continuity of reserves and reserve funds. In 1977, \$87,077,480 was placed into reserves for lot levies and sub-divider contributions by all municipalities in the province.

5. *Average Residential Property Taxes*

A_i = Average residential assessment per household in ith municipality.
 R_i = Residential public school supporter mill rate in ith municipality.
 N_i = Number of households in ith municipality.
 T_i = Average Residential Tax per household in ith municipality.
 T = Average Residential Tax per household in Province.

$$T_i = \frac{A_i \times R_i}{1000}$$

$$T = \sum_{i=1}^n \left(\frac{A_i \times R_i}{1000} \right) N_i / \sum_{i=1}^n N_i$$

6. *Property Tax Offsets*

The Municipal and School Tax Credit Assistance Act allows the Council of any local municipality to pass by-laws authorizing a credit or refund equivalent to one half of the municipal taxes on any real property that is owned and occupied by a person and a spouse as a personal residence, provided one of the persons is over 65 years of age. The credit cannot exceed \$150, and the credit becomes a lien on the property until ownership of the property is transferred outside of the direct family. The municipality is reimbursed by the Province for the funds it has transferred. In 1977 payments under The Municipal and School Tax Credit Assistance Act totalled approximately \$709,000.

The Municipal Elderly Residents Assistance Act allows the Council of a municipality to pass by-laws authorizing a uniform credit to owners of residential properties, against the real property taxes imposed by the municipality in respect of that property. The owner or spouse must occupy the property, must be 65 years of age or over, must have resided on the property for between 1 and 5 years as specified in the by-law, and if specified, must be in receipt of the monthly guaranteed income supplement under Part II of The Old Age Security Act (Canada). The total amount spent by municipalities on this assistance in 1977 was approximately \$2,388,000.

In 1972 the Ontario Government introduced the Ontario Property Tax Credit System which relates the property tax burden borne by each taxpayer in Ontario to his ability to pay as determined under the personal income tax system. Ontario residents are eligible to claim property tax credits on the basis of property taxes paid or 20 percent of rent paid. Pensioners paying property taxes receive an additional \$110 as part of their basic credit. The following table indicates how the credits are calculated:

Basic Property Tax Credit	+ Additional Property Tax Credit	+ Pensioner Credit	— Taxable Income Offset
lesser of occupancy cost or \$180 where occupancy cost equals 20% of total rental payments, plus property taxes, plus \$25 for student residence	10% of occupancy cost	110	2%

In 1977 total property tax credits and pensioner tax credits amounted to \$341 million.

Chapter 2

1. *Municipal Financial Accounts*

Municipalities are required to account for and report their financial transactions on a fund basis. The two main funds used are the revenue fund and the capital fund, but many municipalities also have reserve and trust funds. In addition, most municipalities have reserves set aside within the revenue fund.

The revenue fund is used to account for all general revenues and expenditures. It is roughly equivalent to the accounting for current operations of a private sector corporation. In general, the revenue fund accounts for the recurring year to year operations: wages and salaries, debt charges, tax revenues, service charges, Provincial grants for operating purposes, etc.

The capital fund is used to account for all capital expenditures and their financing. For local government purposes, a capital expenditure is generally one which provides benefits lasting more than one year and costing more than \$500 (e.g., construction of buildings, acquisition of land). The major sources of capital financing are long term borrowing, Provincial grants and money transferred from other funds. The capital fund is also used to account for any money borrowed on behalf of local boards and commissions.

Reserve funds are used to account for transactions in which, for legal or other reasons, it is necessary to ensure that monies specifically earmarked for a particular project or activity are actually spent on that project or activity. Large and medium sized municipalities maintain several reserve funds for such purposes as subdivider contributions, repayment of debt, and acquisition of park land. Some reserve funds are required under Provincial statutes, others are established under legal agreements entered into by municipalities, and the remainder are set up at the discretion of municipal councils. The use to which reserve funds may be put is specified when the funds are set up, and they may not be converted to other uses without a specific vote of council.

Reserves are used for essentially the same purposes as reserve funds. However, the establishment and use of reserves is wholly at the discretion of municipalities. Apart from the legal limitations and the setting aside of specific assets, there is little difference between reserves and reserve funds from a financial viewpoint.

Part of the revenue of both reserves and reserve funds comes from specific appropriations from the revenue fund. This occurs when a municipality wishes to earmark part of its current revenues for a specific expenditure expected to be incurred in future years. For example, where a municipality anticipates a major capital project in five years' time, it may set up a reserve fund for this project and contribute to the fund in each of the years preceding the commencement of the project. The bulk of the revenue of reserve funds does not come from the revenue fund, but directly from sources such as impost fees levied on developers. Where amounts in reserves and reserve funds are spent for capital purposes, the expenditures are recorded in the capital fund, with the amounts from reserves and reserve funds being recorded as transfers to the capital fund. Most expenditures of reserves and reserve funds are shown in this way, but where monies are used for current purposes, the expenditures are mainly recorded in the reserves and reserve funds.

Trust funds are funds held in trust by municipalities, e.g., funds held on behalf of residents of homes for the aged. They are not part of a municipality's finances, but represent amounts for which the municipality is a trustee.

The format of municipal financial reports is prescribed by the Province. Up to and including 1976, these reports did not consolidate details of those municipal services referred to as municipal enterprises; chiefly, airports, cemeteries, hydro, housing authorities, municipal hospitals, parking authorities, public transit and water supply. Separate financial returns were compiled for these entities and the only amounts reflected in the municipal returns were: on the revenue fund, deficits and debt charges of enterprises which have been assumed by municipalities; and, on the capital fund, debt financing and capital expenditures undertaken by municipalities for their enterprises. In 1977 all major municipal enterprises except hydro and hospitals are consolidated in municipal financial returns to the Province.

Since 1975, municipalities have been required to consolidate most local boards in their financial statements. The only boards not to be consolidated in 1977 were conservation authorities, children's aid societies and school boards. These were not to be reported by municipalities since in many cases they were not co-terminous with municipal boundaries. For the purpose of this report, conservation authorities and children's aid societies have been consolidated with the municipal information.

Municipal accounting is on an accrual basis, except that debt charges are on a cost basis. No value is attached to fixed assets. Where capital expenditure is financed through debenturing, the balance sheet reflects the long term liability incurred and a corresponding asset, "capital outlay to be recovered in future years". Debt retirement costs, both principal and interest, are charged against the revenue fund. As long term debt is repaid, the "capital outlay to be recovered in future years" is reduced.

Up to and including 1976, there had been some netting of revenue against expenditures in municipal financial reporting. Intermunicipal and other recoveries could be netted, as could charges for service incidental to municipal services—such as snowploughing driveways. In 1977 and future years, netting is being restricted to a few types of recoveries, such as retail sales tax refunds and tax write-offs charged back to the levying bodies.

In the information summarized in this publication, intermunicipal transfers and charges have been netted against the appropriate function and municipality.

3. *Revenue Fund Spending By Object*

A time series table for municipal revenue fund expenditures by object is not available. In 1975 a breakdown by object was requested for the first time but a breakdown of the operating expenses was not made mandatory. Less than 50 per cent of the municipalities showed the breakdown. In both 1975 and 1976 the financial reports of the transit and waterworks systems and other large municipal enterprises which were consolidated in 1977 did not show a breakdown of expenditures by object.

4. *Other Protection*

The category of other protection consists of protective inspection and control. Included in this grouping would be items such as building and structural inspection, fence viewing, pest control, animal control (including dog pounds), by-law enforcement (excluding any public health functions), weigh scales, licencing commissions, and contributions to humane societies. In addition, other protection includes flood control and emergency measures.

Chapter 3

1. *Op. cit.* Chapter 2, footnote 1.

Chapter 5

1. *Municipal Special Charges*

Special charges for municipal purposes are taxes paid to the municipality on any basis other than by mill rate against assessment. In a strict sense the charges which relate to a particular service are "earmarked" or specifically allocated revenues. These include business improvement area charges, sewer and water charges on flat rates, sewer and water connection charges, fire service charges, municipal drainage charges and garbage collection charges.

In addition, where the product of multiplying the mill rate times the assessment gives a property tax of less than \$6.00, the difference between the tax and the \$6.00 is added as a special charge to the taxpayer to ensure a minimum tax to cover the cost of administering the tax bill and collection. This charge is referred to as a minimum charge for reporting purposes.

2. *Telephone and Telegraph Taxation*

The problems associated with giving an assessed value to telephone and telegraph rights-of-way (assessing narrow strips of land without alternative uses) led to a settlement in 1973 wherein those companies paid property taxes of 5 per cent of their gross receipts. The allocation of this tax liability is based on the number of connections in a particular municipality relative to the total connections of the system. In addition, this tax is shared by local government as is all other property tax among school boards, upper tier and lower tier municipalities. The basis of this division of the tax is the proportion of commercial, industrial and business tax each body receives from the commercial and industrial sector in the municipality.

3. *Op. cit.* Chapter 1, footnote 5.

Chapter 6

1. *Unfinanced Capital Outlays*

Local governments incur long term debt to provide capital facilities. Since construction contracts often exceed year ends and local governments may defer issuing debentures to achieve a lower rate of interest, year end spending and financing in capital fund do not usually balance. As the following table illustrates, in 1976 municipalities reduced their own unfinanced capital outlays by \$195 million and school boards reduced their own by \$15 million. In the three years analyzed 1976 is the year in which municipalities had the largest reduction.

Unfinanced Capital Outlays

	1975	1976	1977
	\$ Million	\$ Million	\$ Million
Unfinanced at beginning of year	342	428	218
Less Revenues: School Boards	194	160	121
Municipalities	958	1,224	1,242
Subtotal	1,152	1,384	1,363
Plus Expenditures: School Boards	209	145	128
Municipalities	1,029	1,029	1,106
Subtotal	1,238	1,174	1,234
Unfinanced at year end	428	218	89

2. Housing Authorities—Outstanding Debt

Net long term debt outstanding for municipal owned housing authorities has been included in the 1977 Homes for Aged and Residential and Industrial Development categories. The reason for the split was that debt for senior citizens' housing was classified with homes for the aged, while all other debt for subsidized housing was shown under residential development.

This data was not available for 1975 and 1976.

Part II

Chapter 1

1. User Fees

For purposes of this report, the term "User Fee" applies specifically to a particular charge for a particular service whereby the consumer makes the decision to buy a service, as opposed to buying jointly with other consumers. General taxation can be interpreted as the most basic method of financing services with joint consumption. Area rates, also a general tax applies to a group of consumers who because of their location use a particular range of services whereas those outside of the area but within the municipality do not use the service. Local improvements are a third category of joint consumption but in this case the charge is not related to assessment but to other proxies of consumption such as property frontage. In the sense that these charges relate to a specific service and the amount paid does not relate to assessment, these charges could be interpreted as user fees. However, both local improvement charges and area rates are more of an ear-marked revenue than they are a user fee. This distinction occurs because the charges are for a specific service but are not directly related to individual consumption.

The items classified as direct user fees are those which individuals pay for services directly and in which they can make the decision to consume or not to consume at that point. This occurs specifically for services such as transit fares, contributions to homes for the aged and charges for recreation.

Sewer and water charges have also been included as a user fee where the charges are related to flows or quantity used.

Fines for traffic and by-law violations have been allocated to the police function. These charges cannot be interpreted as a fee for service. However, they are applied on an individual basis and the avoidance of these contraventions would reduce police spending. Therefore, the payment by an individual represents an individual charge to him for using the service provided.

Also, fees for planning and development services are payments on loans for tile drainage programs. These payments are for field drainage wherein the cost recovery occurs over a number of years.

Each chapter includes a description of the user fees allocated to a specific service and the extent that they fund that service.

2. For detailed explanation of Ontario grants to the local sector see:

- (a) Report of The Provincial-Municipal Grants Reform Committee, Volumes I and II (Ontario, 1977).
- (b) The Hon. W. Darcy McKeough, 1977 Ontario Assistance to Local Governments, *Ontario Budget 1977* (Toronto: Ministry of Treasury, Economics and Intergovernmental Affairs).
- (c) Provincial Financial Assistance to Municipalities, Boards and Commissions (Toronto: Ministry of Treasury, Economics and Intergovernmental Affairs, 1977).

Appendix I

1. School Board Finance

These figures do not balance with those of Chapter 4, Part I. In the consolidation of all school boards in Chapter 4, inter-board transfer payments are deducted. In this presentation by upper tier grouping, inter-board transfers have not been deducted.

